

Herning · Aalborg · Århus
DENMARK
July 22 - August 6 1989



World Masters Games

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R E P O R T T O

MINNESOTA AMATEUR SPORTS COMMISSION

WORLD MASTERS GAMES 1989



Introduction

September 27, 1989

With reference to the contract between World Masters Games Denmark and Minnesota Amateur Sports Commission on behalf of World Masters Games III Minnesota Inc., of february 20th 1989, signed on the same day in Herning, please find enclosed in accordance with paragraph 3.1, 3.2, 3.3, and 3.4 of the contract a report covering the preliminary results and findings of World Masters Games II 1989.

The report is in accordance with the contract divided into the following subjects:

- 1) Participants
- 2) The planning and actual handling of the sports
- 3) Budget/financial matters
- 4) The international sports associations and World Masters Games

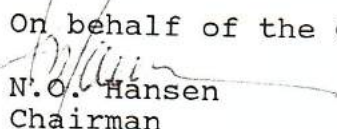
It must be emphasised that this report is based upon the preliminary findings available to the Organizing Committee at this point of time. With respect to point 3 above - budget/financial matters - the report contains the latest updated and approved budgets, as a financial statement covering expenses and income in connection with the Games is not yet available. The final economic result is expected to be available by the end of the year.

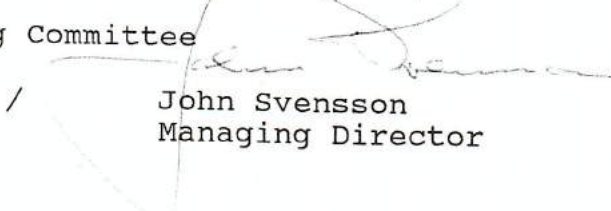
Further details in relation to points 1 and 2 above will appear in the final report which the Organizing Committee is currently in the process of producing and which will be available by the end of this year. As to point 4 the relationship to and situation with respect to the international umbrella organization GAISF is expected to be clarified at the annual general assembly which takes place in October 1989.

A book containing the results from each of the sports involved will be produced and edited by the Danish Sports Federation and eventually incorporated into the final report.

The final report will when available be forwarded to MASC along with the relevant mailing lists covering participants in World Masters Games 1989. The Organizing Committee will of course be prepared to answer any further enquiries you might have to the extent this is possible and relevant at this stage.

On behalf of the Organizing Committee


N.O. Hansen
Chairman


John Svensson
Managing Director

1. Statement of marketing activities and actual participants during World Masters Games 1989.

As a part of the planning of World Masters Games '89 several marketing activities were carried out in 1988 - 1989.

1.1. Objective

The primary objective was to increase awareness amongst potential sports participants and the sports society as such in order to meet the target of 10.000 participants. This was later increased to 15,000 participants.

The secondary objective was to achieve a better balance between the nations than in the 1985 Games, where 57% were Canadians.

From a sports point of view we estimated the following profile of participants: Top athletes/former stars 1-2%, national and regional championship participants 10-15% and the remainder being average club athletes.

1.2. Strategy

Prior to the establishment of the secretariat limited marketing had been carried out mainly aimed at the 1985 participants and the national and international sports federations. In order to achieve the objective the strategy was to build up awareness quickly and consequently a sufficiently large database from which we could draw the participants. It was therefore decided to do a mailing with a print run of 675,000 copies distributed worldwide.

Once the main database had been established a second higher quality mailing with specific and final registration forms would be sent to those, who had responded to the first mailing. In addition we worked with two other databases one being what is believed to be the 1985 participants list and the other one consisted of respondents who had written to the Organizing Committee during the period 1985-1988. Furthermore the Danish Sports Federation provided us with a database consisting of all Danish clubs and international sports federations.

1.3. Target group

The target group was established as being 30-55 years old, active sports people, mainly male with an income and education above average. The latter being characteristic of participants from far-off countries.

1.4. Tactics

The main obstacle in achieving the above objective was a question of how to reach the target group. For that reason we decided to direct our first mailing to the 2,800 national and international sports associations in the world. They in turn would pass on the message to potential athletes. The addresses were provided by the Danish Sports Federation. Secondly, extra copies were personalized for use by our tour operators.

1.5. Public relations

Both on a national and on an international level it soon became obvious that the awareness was extremely low, in many cases nonexistent and more often than not the Games were associated with the financial problems of the 1985 Games.

Consequently the message consisted of three elements:

- 1) explaining what WMG was (i.e. who the Games were for)
- 2) the Danish organization
- 3) the commercial potential of the Games (i.e. sponsors)

The primary target groups were defined as:

potential athletes
potential sponsors
sports federations

The secondary target group was the media, decisionmakers within the private and public sector and the general public.

For budget reasons the Organizing Committee decided to concentrate funds on the homemarket and for this purpose an agreement with a PR agency was entered. However, this turned out to be insufficient. The Danish sports associations as well as the organizing sports clubs should have been asked to contribute to the marketing and PR efforts. Furthermore, a higher priority should have been given to market the World Masters Games in the near markets as Denmark, Norway, Sweden and West Germany.

The external PR was done through press releases, press meetings and by our WMG Newsletter issued quarterly in Danish and English. The Newsletter was distributed to all 2,800 sports associations, Danish embassies and Tourist Board offices, potential sponsors and media. In Denmark it was inserted into the Danish Sports Federations' monthly magazine, which is sent to all Danish clubs and voluntary leaders.

1.6. Comments on the various marketing activities

A total survey of the marketing activities in chronological order appears from annex no. 1.1. Furthermore, copies of leaflets etc. are enclosed. Below please find comments on the various activities.

1.6.1. The blue folder

Objective: The first mailing had two objectives:

- a) Towards 1985 participants plus the registered potential participants it was important to confirm that WMG was alive and well.
- b) To inform a wider potential audience what WMG was and who was behind.

Criticism: The folder totally lacked information such as age categories, fees etc. and was generally held in very loose terms.

1.6.2. Posters

Target group: Sports facilities, sports clubs etc.

Criticism: The posters carried hardly any information. Later an addendum was printed and glued to the poster stating the sports involved and inviting people to ask for further information.

Recommendation: Posters should either contain some information on sports and a tear-off devise (in which case it is recommended to distribute them to clubs very early on) or their function should be to draw spectators in which case they obviously should be distributed close to the actual events both time wise and geographically.

1.6.3. Newsletters no. 1 - 4

Target group: National and international sports associations, sponsors, potential sponsors, Danish embassies and tourist offices and the media.

Criticism: Too many target groups which required many different messages.

Recommendation: To continue the newsletters mainly aimed at the sports community, sponsors and the media, alternatively to produce different newsletters to the various target groups.

1.6.4. The Newspaper

Objective: to get out to a large audience quickly.

The newspaper contained almost all the information needed and was also used for other purposes: sponsors, personalized for tour operators etc.

Criticism: Timing: Due to the many enquiries inherited by the secretariat and which were generally not answered there was an urgent need for specific information.

The papers were due around June 1988 (which was late in itself) but the actual delivery was June/July for the Danish version and August for the English version.

All the national and international sports associations received 30 - 100 newspapers and enclosed was a letter asking the head of the sports associations to distribute the papers to relevant sports people.

There are a number of reasons why distribution via sports associations was inefficient:

- bad image from 1985
- no awareness of the 1989 organization and the Danish organizers. This was due to a total lack of information/marketing efforts during the period 1985-88.
- the mailing should have been carried out in stages with personal/telephone/written contact to relevant persons in the sports associations before mailing the newspapers.
- no follow-up.
- no difference made between "big" sports and "small" sports.
- lack of specific information on the sports relevant to each association.

Recommendation: The format and idea of a newspaper as a main brochure was excellent. The newspaper was an efficient and cheap way of reaching a vast number of potential athletes, and at the same time it also served other purposes (sponsors, tour operators, media etc.)

With fine tuning of the distribution and with much more detailed sports information a newspaper would be both an excellent vehicle for getting participants and would also cut down on the elaborate "A+B" masterforms.

1.6.5. The GAISF concept leaflet

Objective: This leaflet, which was produced in record time and at a very small cost, tells the history of WMG, the future, the concept, the organization etc. and was originally intended for the GAISF general assembly.

Recommendation: To produce a factsheet/leaflet stating clearly and briefly all facts about WMG.

1.6.6. Advertising on buses

Objective: to raise awareness of WMG and communicate that WMG was for everyone.

Criticism: Although the campaign idea was good there was no follow-up.

Recommendation: The campaign came about, because WMG was offered free advertising space on the buses. Future Organizing Committees should explore the possibility of free advertising in other media, too. A campaign on the outside of the buses should have been followed up by a campaign inside the buses.

1.6.7. Final Brochures and Masterforms A and B

The brochures consisted of:

- a) Main brochure describing concept, special events, events for non-participants, conferences, the host cities, acknowledgement to our sponsors.

The main message was: the many exciting experiences awaiting the participant. The brochure was of a high standard reflecting a quality event and also the fact that participation was fairly expensive.

- b) Tourist brochure: describing accommodation, car rental, tourist tours and cultural events.
- c) Activity calendar.
- d) Masterform A and masterform B (one for each sport).

The final brochures and forms were deliberately designed and produced separately in order to create maximum flexibility. Masterform B was produced in black and white so that it could easily be photocopied.

Criticism: The whole brochure programme should have been ready in October as a professional follow-up (and closing of sale) of the enquiries generated by the newspaper. The delay was disastrous and must be estimated to have cost WMG several thousand athletes, especially from overseas (USA and Canada).

Masterform A and B were too complicated to complete.

Recommendation: It is strongly recommended to keep the print solution as flexible as possible, especially with a view to Masterform B. This is essential, when dealing with so many languages.

In as much printed material as possible it should have been stated which sports were involved.

In retrospect there was probably no reason to separate the main and the tourist brochure.

1.6.8. Activity Plans

Objective: Originally, the activity plan was to be included into the main brochure in order to give the potential participants a complete survey of the many activities during WMG. However, due to delay in delivery the activity plans had to be distributed separately.

The activity plans were distributed to all Danish clubs, the national and international sports associations, embassies, tour operators etc.

Recommendation: It is a good idea to produce a complete survey of all the activities during World Masters Games.

1.6.9. Coupons

Objective: In order to achieve more Danish participants it was decided to produce thousands of coupons saying "Yes, I want to participate in WMG".

A number of coupons together with some activity plans were distributed to the Danish sports shops, sports clubs, hotels etc. At the same time the coupon was printed in some of the biggest Danish newspapers. However, the result was very poor.

Criticism: The coupons were produced in March which was far too late.

1.7. Official travel agencies during WMG

During the 18 months it took to plan the World Masters Games, the Secretariat chose to cooperate among others with a number of travel agencies.

The following points will be further described below:

- * the overall objectives for appointing official tour operators
- * an overall description of the setup
- * a common contractual basis
- * the tour operators' day-to-day operations

1.7.1. The overall objectives for appointing official tour operators

The primary objective was to ensure optimum service for the individual participants.

The ambition was to have the official tour operators perform as professional extensions of the central, coordinating WMG secretariat in Denmark.

It was a secondary objective that the official tour operators should assist in the marketing of the Games.

The WMG secretariat was aware that it was unable on its own to market the Games and service the participants in such remote markets as Japan, South America, South Korea, New Zealand, Australia, U.S.A., Canada, etc.

1.7.2. An overall description of the set-up

WMG 1989 appointed 7 different tour operators in 7 different markets/countries.

The tour operators were different in essential respects, e.g. size, background, financial muscle and personnel. Therefore, any comparison should be seen in this light.

Moreover, the cooperation was initiated at very different times.

<u>Agency and area</u>	<u>Initiation of cooperation</u>	<u>Number of participants</u>	<u>WMG participants from the market</u>
KITT Travel & Tours, U.S.A.	May 1988	381	472
Pedersen World Tours, Canada	March 1988	168	453

Batel Turismo South America	Dec. 1988	44	91
Bentours Australia	Sept. 1988	?	133
Travel Planners New Zealand	June 1988	0	13
Nippon Express Japan	Dec. 1988	98	142
Star Tours South Korea	Jan. 1989	20	20
Penta Tours Hungary	Feb. 1989	14	152

The cooperation between the tour operators and the secretariat was laid down in the form of contracts granting the agencies the status as official tour operators for the areas in question. This status carried with it certain obligations and privileges for both parties.

1.7.3. A common contractual basis:

- the agency was granted the right to act as exclusive WMG tour operator in its area (exclusivity)
- the agency was obliged to pay to WMG a commission fee of a certain amount for each participant
- the agency was obliged to market the Games within its area, e.g. in the form of PR activities
- the agency was entrusted with the actual collecting of WMG fees on behalf of WMG

1.7.4. The tour operators' day-to-day functions

As already mentioned, the primary function was to operate as the local extension of the Danish secretariat in matters of the day-to-day contact to potential and actual participants.

Typically, the following functions were performed by the tour operators:

- planning of tours to the three WMG cities

- furnishing potential participants with all the necessary material required for the registration
- collection of completed registration forms and fees, including booking for accommodation
- providing information regarding the various sports (rules of competition, venue, equipment, etc.).

1.8. The number of participants by country

The highest number of registered participants reached 5437 prior to the Games. We are aware that some participants who actually registered did in fact not turn up. However, we are also aware that within certain sports final entries were actually accepted during the Games.

Although we do not have a precise figure the number of 5280 represents the best estimate available. This figure is used in the following tables dividing participants by country and by sport.

In addition, 304 athletes had been invited to participate in the special events, and 2260 keep-fitters participated in the 3 WMG jogging events. Thus, the best estimate as to the total number of participants reaches 7844.

Distributed by country, the 5280 participants represented 76 nations as follows:

COUNTRY	NUMBER	COUNTRY	NUMBER
Algeria	1	Andorra	1
Angola	23	Antigua	1
Argentina	54	Australia	133
Austria	43	Barbados	4
Bangladesh	2	Belgium	37
Bermuda	1	Brazil	156
Bulgaria	2	Cameroon	1
Canada	453	Chile	5
Colombia	6	Costa Rica	1
Czechoslovakia	97	Denmark	1889
Dominican Rep.	1	Ecuador	10
Egypt	1	Finland	54
France	42	German Dem. Rep.	2
Greenland	18	Great Britain	123
Guyana	1	Guatemala	8
India	33	Hungary	152
Iran	4	Ireland	11
Israel	66	Italy	45
Japan	142	Jugoslavia	1
Luxembourg	2	Malaysia	2

Malawi	1	Mexico	1
Monaco	1	Namibia	1
Netherlands	66	New Zealand	13
Nigeria	1	Norway	88
Oman	1	Pakistan	4
Paraguay	1	Peru	8
Poland	9	Portugal	3
People's Rep. China	6	Qatar	1
Republic of Korea	12	Saudi Arabia	1
Scotland	33	Sri Lanka	25
Spain	36	Switzerland	61
Sweden	182	Taiwan	49
Syria	3	Thailand	2
Tanzania	2	Turkey	1
Trinidad and Tobago	3	U.S.A.	472
Uruguay	1	Venezuela	5
USSR	99	Yugoslavia	4
West Germany	443	Zimbabwe	13

1.9. Participants distributed by event

Originally, it had been planned that 49 different sports should be staged. However, due to the limited number of registrants the actual number of sports totalled 42. The below table illustrates the number of participants in the various events:

SPORT	NUMBER	SPORT	NUMBER
Archery	25	Icehockey	114
Athletics	468	Moto-Cross	34
Athletics (dis.)	21	Orienteering	214
Badminton	226	Rowing	341
Basketball	264	Shooting	143
Billiards	17	Snooker	12
Bowling	126	Soccer	189
Car racing	43	Speedway	21
Canoe, Kajak	201	Squash	93
Cricket	118	Swimming	719
Cycling (Track)	69	Swimming (dis.)	8
Cycling (Road)	181	Synchro. Swimming	123
Cycling, (dis.)	12	Tabletennis	210
Diving	68	Tennis	132
Equestrian (dis.)	42	Triathlon	102
Fencing	96	Volleyball	223
Finswimming	11	Yachting	161
Gliding	14	Walking races	32
Golf	42	Waterskiing	51
Handball	304	Weightlifting	184
Hanggliding	13	Parachuting	12
		Total	<u>5479</u>

The total number of participants calculated in this way exceeds the actual number of registrants because 199 participants were represented in more than one sport. Enclosure 1.2. illustrates the representation by country in each individual sport.

1.10. The number of starts in relation to sports

A total of 5280 registrants participated in a total of 12,099 starts. The empirical material from the first games in Canada provides very little information in this respect. On the basis of mailing lists we believe that we have approx. 5,500 addresses from 1985 and that these participants appeared in approx. 7,500 starts. The number of starts in 1985 in relation to events and nationality appears from enclosure 1.3. However, due to lack of specific information the figures in the annex do not add up to the above mentioned total.

The table below illustrates how the 12,099 starts of 1989 were distributed on the individual sports:

SPORT	NUMBER	SPORT	NUMBER
Archery	99	Icehockey	114
Athletics	1028	Moto-Cross	34
Athletics (dis.)	81	Orienteering	219
Badminton	543	Rowing	831
Basketball	264	Shooting	271
Billiards	7	Snooker	12
Bowling	351	Soccer	189
Car racing	43	Speedway	21
Canoe, Kajak	808	Squash	121
Cricket	118	Swimming	3810
Cycling (Track)	102	Swimming (dis.)	42
Cycling (Road)	182	Synchro. Swimming	348
Cycling, (dis.)	6	Tabletennis	407
Diving	98	Tennis	269
Equestrian (dis.)	94	Triathlon	102
Fencing	121	Volleyball	223
Finswimming	11	Yachting	161
Gliding	15	Walking race	35
Golf	42	Waterskiing	120
Handball	304	Weightlifting	184
Hanggliding	13	Parachuting	12

1.11. Participants in relation to special events

300 international athletes were invited to participate in 10 special events. Moreover, WMG sent out special invitations to attractive athletes within the various sports. 2 participants in orienteering, 1 swimmer, and 1 squash player accepted the

invitations.

The below presentation shows the number of participants in the various special events:

BADMINTON:

2 Danish teams (4 men & 2 women)	12 persons
2 teams representing "the World"	12

CRICKET:

Exhibition match: the goldwinner of AAB against a team from the tournament	15
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CYCLING:

Former Danish Olympian winners and world champions	8
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FENCING:

2 Danish veterans	2
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HANDBALL:

4-nation tournament. Participation from Germany, Norway, Sweden and Denmark	80
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ICEHOCKEY:

The Russian veteran national team	25
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ORIENTEERING:

Former world champions from Norway and Denmark	2
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SOCCER:

Unofficial European Veteran Championship, 6 european teams consisting of 22 players each	132
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SPEEDWAY:

Former world champions from the US, Great Britain, Sweden, New Zealand and Denmark	8
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SQUASH:

The Scandinavian champions from Norway, Sweden, Finland and Denmark	4
Jonah Berrington, Great Britain	1

SWIMMING:

Dawn Fraser	1
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TABLE TENNIS:

Secretin & Purkart	2
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Total number of participants

=====
304
=====

1.12. Dispersion of age

The age of the participants dispertes as follows:

<u>Age</u>	<u>Number</u>
20 - 29	153
30 - 39	904
40 - 49	2189
50 - 59	1336
60 - 69	549
70 - 79	174
80 -	27

1.13. Pattern of registration

The general experience is that athletes choose to send in their registrations in the very last moment. Another pattern proves that the further away participants live, the faster they manage to send in their registration. The consequence was that Danish registrations arrived very late. The below table illustrates the pattern from the first registrations arrived in March until the last ones came in only a few days before the Games started.

	<u>TOTAL NUMBER OF PARTICIPANTS</u>		<u>WEEKLY NUMBER OF REGISTRATIONS</u>	
	Accumu- lated	Percent- age	Accumu- lated	Percent- aget
31.03.	593	11.1	593	11.1
			219	4.1
07.04.	812	15.2		
			219	4.1
14.04.	1031	19.3		
			1062	19.9
28.04.	2093	39.3		
			1162	21.8
*1) 05.05.	3255	61.0		
			358	6.7
11.05.	3613	67.8		
			159	3.0
19.05.	3772	70.7		
			381	7.1
26.05	4153	77.9		

*2) 02.06.	4574	85.8	421	7.9
08.06.	4715	88.4	141	2.6
15.06.	4803	90.1	88	1.7
23.06.	4913	92.1	110	2.1
30.06.	4988	93.5	75	1.4
07.07.	5095	95.6	107	2.0
14.07.	5227	98.0	132	2.5
22.07.	5332	100.0	105	1.9
			5332	100.0

*1) The original deadline was May 1, 1989

*2) The extended deadline was June 1, 1989

1.14. Companions

Contrary to our expectations, the representation of registered companions was as low as 18%. These companions had bought the special Master-Pass for Companions. However, many participants did in fact bring their family along without registering this with the WMG.

It is our firm belief that the actual representation of companions was higher especially for foreigners. This is based upon our observations during the Games and not least on hotel information.

However, it was expected that 80% of the participants would bring one companion.

1.15. Transport

The following tables show what means of transport was used by the participants between the three cities, and enclosure 1.4. shows the distribution by city. The numbers are based upon the information given by the participants in Masterform A.

Transport	Distribution
Car	51%
Plane	28%
Train	15%
Bus	6%
	<u>100%</u>

1.16. Accommodation

The following table illustrates the pattern for accommodation for WMG participants (based on Masterform A). Enclosure 1.5. contains a detailed specification by city.

HOTEL	Singleroom	Doubleroom
Number of rooms	280	799
Number of nights	2157	9972

HALL OF RESIDENCE	Singleroom	Doubleroom
Number of rooms	44	11
Number of nights	306	87

BED AND BREAKFAST	Singleroom	Doubleroom
Number of rooms	230	322
Number of nights	1830	4990

SCHOOL	
Persons	928
Number of nights	5428

CAMPING	
Persons	316
Number of nights	1967

1.17. Conclusion

On the existing basis it is of course difficult to extract a clear explanation why the 1989 WMG Organizing Committee failed to reach the targeted number of participants. The initial number of participants was expected to reach 10,000, and at a certain point this figure was increased to 15,000 in the light of the larger number of sports compared to the Toronto Games and based on a confidence that the Games were staged for the second time, which was expected to produce a better knowledge of and interest in the WMG. However, the view has been frequently expressed that two and a half years of silence around WMG in the international sports world as a result of the difficulties, which the Danish organization had been faced with in connection with the cleaning up after the 1985 Games, was an essential contributing factor towards the final result. The marketing effort, which the Toronto organizers should have carried out in the international sports world, did not materialize, and many sports organizations were under the impression that WMG 1989 would in fact never come true.

During the 18 months, which the Danish organizers could invest in the event, we succeeded in attracting participants from 76 nations, - despite the fact that the actual marketing work was impeded by serious delays. Scarce resources in terms of time, manpower and funds should therefore be seen as the primary cause for the lower than expected participation. Among other important reasons for this the following should be mentioned:

- A stronger marketing and PR effort should have been made on the near markets (Denmark, Norway, Sweden and West Germany)
- The Danish sports associations and clubs should have been involved much more in the marketing and PR activities.
- 49 sports may have been too many, as it made the marketing very difficult (many target groups) and in certain cases incurred exorbitant expenses.
- Conflicts in relation to some of the potentially biggest sports: Conflict of dates in relation to the officially recognized athletics veteran world championships in Oregon, a boycott from FINA (the international swimming federation) which was later withdrawn, and lack of recognition from various gymnastics organizations, which was the reason why gymnastics was not included in the programme.

Seen in a future perspective, it should therefore be recommended that marketing of the 1993 games should be commenced at a much earlier point than was the case for WMG II, and the international sports associations should be much more involved in the marketing of this international sports event. Recognition of the

World Masters Games as the only international multi-sport event for veterans on a global scale is thus a prerequisite for the further development of the concept and the event.

As mentioned above, the planners expected a distribution between former world stars, national champions and keep-fitters which emphasized keep-fitters. At this point it can be seen that the actual representation was not as originally planned. It is estimated that the participants were represented as follows:

5-10%	former world champions
15-25%	national champions
65-75%	keep-fitters

In the light of these facts, it is necessary that the Board of Governors, the board of the international trust, in cooperation with the organizers of the 1993 games clearly define the target group for the coming World Masters Games. Similarly, it is essential that the same group of persons clearly define which sports should form the basis for the coming WMG events.

2. Staging of the sports events

The Organizing Committee and the Sports Committee are under the clear impression that the sports side of the Games was a success.

The Board of Governors generally share this view, and letters of appreciation from officials, participants and international sports groups further back up this impression. With WMG 1989 the Games were staged for the second time, and although there is still a lot to be learned, the concept has been firmly established.

Enclosure 2.1. contains the individual Governors' reports.

It is planned that the Governors during their next meeting will be discussing the content of their reports to the effect that conclusions may be drawn out for the benefit of WMG III in 1993.

2.1. Report on the staging of the individual sports:

Enclosure 2.2 contains a brief report on the staging of the individual sports events. The reports are organized under the following headlines:

- * number of participants
- * number of starts
- * expenditure
- * sports fees
- * events
- * comments on planning and actual handling

2.2. Use of sports facilities

There is a long tradition in Denmark that cities build sports facilities for schools, etc., which will then in turn be made available to the sports community free of charge.

Similarly, Danish legislation on adult and youth education and leisure-time activities offers favourable terms which allow sports clubs to build and operate sports facilities without excessive investments.

Thus, sports facilities owned by or supported by the host cities formed the core of the facilities which the three host cities had originally planned to use for the staging of the large number of WMG events.

It was a condition on the part of the host cities that no new facilities should be built in view of the WMG but that the Games

should be held in existing facilities.

A limited investment was made in repair work and modernizing which would not otherwise have been completed for some years.

However, these expenses were in no way a prerequisite for the staging of the Games.

For historic reasons, there is some variation in the standard and nature of the sports facilities owned and supported by the three host cities.

With a view to securing equality between the two types of sports facility, the facilities owned by sports clubs received a modest compensation for incurred expenses (electricity, water, guards, cleaning, etc.) in connection with the WMG, but in no case have clubs received any fee for the use of their facilities. Regarding facilities owned by the cities, incurred expenses have been covered in the main by their own budgets.

3 Economy

3.1. Overall economic result of WMG 1989

3.1.1. A preliminary status report

At the time of writing this report, there are no consolidated accounts available on WMG 1989.

However, a revised budget was approved by the Organizing Committee at a meeting held on May 25, 1989, in part on the basis of realized expenses until that date.

This revised budget forms the basis for the present report, but readers should expect that minor deviations may occur.

3.1.2. The expected balance

Enclosure 3.1. is a presentation of expected income, expenditure and consolidated accounts for the Trust.

Total income was budgeted to reach DKK 11.2 m (excl. sale of hotel accommodation), and fees from participants were estimated to represent close to 1/3 of this figure.

Total expenses were budgeted to reach DKK 32.4 m (excl. sale of hotel accommodation). Some 50% of total expenditure was estimated to cover administration, planning, consultancy fees, and marketing. The estimated, consolidated accounts will include expenses and income from symposiums, special events, purchase and sale of hotel accommodation, and purchase and sale of the WMG rights.

The expected deficit from symposiums is due in the main to the fact that two out of three symposiums were cancelled due to a lack of interest. However, a number of participants accepted the invitation to combine sports participation with some business-related interests. The extent has not yet been analyzed, but we are under the impression that the quality of business-related contacts was high.

The anticipated deficit from purchase and sale of hotel accommodation follows from the binding contracts which were made with some 40 hotels in the three host cities in the light of an estimated 10,000 participants.

Since the number of participants reached only about half of the expected total, fewer hotel beds were in fact sold.

3.1.3. The reasons for the anticipated deficit

An event of these dimensions entails considerable overheads which had already been covered or which WMG had been committed to cover at the point when it became clear that the anticipated number of participants would not be reached. Consequently, there were very few ways to reduce the expenses as it can be seen from the development since the budget of March 22, 1989. One of the reasons for this was that the Organizing Committee did not find it reasonable to reduce the level of service and social/cultural activities that had already been published.

In the light of the relatively few registrants from the Nordic countries, an extraordinary marketing effort was launched in the spring of 1989 which had significant consequences on the budget.

WMG relies on the following sources of income:

Participants
Sponsors
Television rights

All three areas were disappointing due to:

- historic facts from Toronto
- a too short planning period
- a relatively unknown sports event which is still in its establishing phase

3.2. Extraordinary expenses due to the fact that three cities with large geographical distances were joint hosts for the World Masters Games

It should be accepted that the fact that three cities with some 80-135 km between them jointly hosted the Games was instrumental in adding to the total expenditure.

In the planning phase, a considerable number of working hours were spent on transport between the cities with a view to securing that the entire project would be presented as one event. In several cases there were representatives of the sports community of each of the three cities on the planning committees.

During the actual handling of the Games, it was necessary to set up a transport system (free of charge for the participants), and three city centres had to be established (checking in, etc.)

Finally, each city operated a local secretariat which was in charge of all local, administrative, coordinating, economic, and practical aspects which were naturally required for an event of this size.

3.3. Economic aspects regarding East European participants

Due to currency restrictions it is often difficult to get participants from East European countries.

This was also the case during WMG 1989. Prior to the event, the Danish Sports Federation had been positive in its approach to covering part of the expenses for this category of participants as there is a tradition that these expenses will be balanced when Danish delegations are represented at similar events without incurring travel and accommodation expenses.

The number of East European participants totalled 364, out of which 77 have been unable to cover registration and accommodation expenses amounting to DKK 101,415.

However, it should be emphasized that more than 75% of these 77 participants did never check in at the WMG and simply failed to cancel their registration.

3.4. Covering the deficit

The three host cities, i.e. Herning, Aalborg and Århus, have been currently financing the running of the secretariat and the other costs of staging the event.

It was originally planned that the expenses were to be covered by way of a loan which would be repaid to the cities. However, at the end May 1989, it became clear that this was unrealistic, and in meetings held on May 30 and May 31 1989 it was decided by the three city councils that each city should cover deficits up to a maximum of DKK 7 m. In addition, each city should cover the deficit from purchase and sale of hotel accommodation up to a maximum of DKK 2m. Enclosure 3.2 contains the essence of the decisions reached by the city councils.

Moreover, the city councils decided that up to DKK 10.5 million should remain in the Trust as a loan towards the purchase and sale of the world rights. Cf. below.

Since the final accounts are as yet not available, it is premature to discuss to what extent these municipal guarantees will be applied. However, there is no doubt that the deficit of the 1989 event will be covered by the municipal guarantees.

3.5. The economy of the WMG Trust after 1989

With the decisions of the three city councils to guarantee for the deficit of the 1989 Games, the three municipalities have clearly confirmed that the WMG Trust will not in the future be

restricted by the deficit from the 1989 Games. On the other hand, the Trust will be debited for all expenses incurred in connection with the acquisition and sale of the rights and in connection with the selling of the rights for the 1993 World Masters Games.

The Trust will continue to incur costs for the servicing of the rights as well as in connection with the sale of rights for future events.

A valid budget will be prepared for the Trust's future income and expenditure.

The Charter for the Trust is enclosed in annex 3.3. Similarly, we enclose a draft proposal for Charter for the future organization. This Charter has been approved by the current Trust Board.

4. The international special sports associations and federations

In connection with the development of the World Masters Games concept, it has been pointed out from several bodies that it is essential that support be obtained from the international sports associations. When the Danish Organizing committee in 1985 presented their bid for and acquired the rights to stage the Masters Games in 1989, the Danish Sports Federation acted as the umbrella organization for the Danish sports associations and ensured that the various sports associations, which were relevant for the sporting side of the event, did in fact back up the project.

At that point, all sports associations were behind the idea, two of them with reservations. The sports association for tennis did not wish to participate in the staging of the World Masters Games, but the association would not object if one or several clubs of the three host cities cooperated in the planning and staging of a tennis event.

Regarding gymnastics, lengthy negotiations produced the result that gymnastics was not represented at the World Masters Games in 1989.

In relation to the international sports associations, the Danish Organizing Committee did not directly apply for support or recognition of the World Masters Games. However, a large number of the international sports associations have been informed of the event in Denmark in 1989 on their congresses, but they have not directly been requested to actively market the Games. Most sports associations have reacted to our briefing on the Games, and there have been a few cases of conflicts of dates in relation to other tournaments arranged under the associations in question which coincided with the World Masters Games event.

Regarding athletics, the veteran world championships were staged in Oregon U.S.A. at the same time as the World Masters Games in Denmark. This was unfortunate, and following a long series of contacts to the international athletics association, the association decided not to boycott the Danish event but simply to recommend to its members that they should participate in the association's own event in Oregon.

Regarding swimming, including synchronized swimming, a number of problems arose as a consequence of insufficient information on the new ownership of the World Masters Games. Following a series of negotiations with FINA, the federation has written to its members that it fully supports the World Masters Games, provided that all tournaments will be arranged under the international rules.

It will probably not be possible to avoid future conflicts with already well established tournaments arranged by the associations and federations covered by WMG's tournaments. In order to avoid such conflicts, it is important that WMG inform the international sports associations as soon as possible as to which sports will be represented in the 1993 World Masters Games, and clearly specify the dates of the 1993 World Masters Games.

Similarly, WMG should approach the relevant international sports associations with a view to ensuring future coordination and cooperation regarding the staging of the tournaments.

In February 1988, WMG contacted the secretariat of the General Association of International Sports Federations (GAISF) with the purpose of being included in the international sports calendar. Following this contact, WMG 1989 was included in GAISF's international sports calendar.

With a view to further achieving recognition and support from the international sports community, the World Masters Games in August 1988 applied for associated membership of GAISF.

In addition to this, a delegation representing the 1989 WMG Organizing Committee participated in GAISF's 22nd Congress and General Assembly in Lausanne, Switzerland, during November 3-11 1988. On this occasion, the Danish Organizing Committee presented a small display of the plans for the 1989 event.

The Danish Organizing Committee were met with substantial interest in and sympathy for the project from the international sports associations which were represented. On that occasion, the board of GAISF reached a decision to support the World Masters Games concept. However, it was recommended that the organization should not become an associated member until after the staging of the 1989 Games.

As it can be seen from enclosure 4.1., which is a copy of a letter from the Secretary General of GAISF, the World Masters Games Organizing Committee has been invited to participate in the annual congress which is to take place in Budapest during October 18-21, 1989. The World Masters Games has been invited to participate at the congress as an observer. Moreover, from the letter it can be seen that the council of GAISF have reached a decision to recommend to the general assembly that World Masters Games be admitted as an associated member.

Finally, it should be emphasized that World Masters Games has endeavoured to obtain full support from GAISF on a number of other occasions, for instance by frequently consulting GAISF for advice and counselling in matters regarding the composition of the Board of Governors and the future structure of the international Trust for the World Masters Games.