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Outspoken superstar athletes transform the sponsorship landscape

When soccer god Cristiano Ronaldo pointedly set aside two Coca-Cola bottles, picking up a water bottle, bluntly uttering the words: “Água. No Coca-Cola.” at a European Championship press conference in June, event organizers and Coke executives must have inwardly cringed at the optics. While the Portugal team captain does not have an endorsement deal with the global beverage brand, Coke is one of the soccer tournament’s main sponsors.

In another context, Ronaldo, who had just come from winning a game against Hungary where he scored two out of his team’s three goals, would be praised for setting an example by choosing the healthier water over sugary soda. But, at a press conference where one of the biggest sponsors spent tens of millions for the right to have its beverages placed prominently on the table near the athletes’ microphones, his gesture had larger implications. Naturally, videos of the moment were immediately posted on YouTube where they have racked up hundreds of thousands of views.

Leagues and brand sponsors are unfortunately familiar with handling the fallout from star athletes truly behaving badly — think Tiger Woods, Lance Armstrong, Hope Solo and Ryan Lochte, among a host of others — but the Ronaldo “incident” raises new questions about the influence of superstar athletes and the evolving partnerships they have with their sponsors.

A small group of elite athletes, who are at the top of their game, widely admired and followed on social media, have been able to transcend their brand obligations and act on issues of personal importance. It’s not just about the choice of a post-game beverage — tennis and gymnastics superstars Naomi Osaka and Simone Biles recently walked away from competitions for the sake of their own mental health. While their surprising decisions have drawn criticism, their sponsors are supporting them.

Many brands see the value of celebrating athletes who promote social justice causes



SPORTS MARKETING PLAYBOOK

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and supporting stars who place their own health over their careers, and it seems this could be the next trend in brand partnerships. Is a new era of sports influencers upon us?

Ronaldo’s beverage choice made an immediate impression, on other players, on the Union of European Football Associations (UEFA), and on the brand.

Italy’s midfielder, Manuel Locatelli, made a similar gesture after his team’s game against Switzerland. Paul Pogba, a midfielder for France who is Muslim, removed a bottle of alcohol-free Heineken, another event sponsor, after his team’s win over Germany.

UEFA responded to the players’ actions with a statement that in the future teams could be fined if players removed drinks provided by sponsors at the event’s press conferences. UEFA pointed out that brand partnerships are vital to the development of soccer across Europe. It also clarified that players themselves would not be fined and that Pogba’s action was considered the exception to the rule, since his objection was based on his religion.

Ronaldo’s Coke snub was even briefly credited with tanking the beverage giant’s stock. Multiple media outlets reported that the company’s share price dropped 16% after Ronaldo publicly picked water over Coke. The company’s market value went from \$242 billion to \$238 billion, according to Nasdaq index and the New York Stock Exchange. Although many news sources were quick to give Ronaldo credit for the plunge, other outlets like Sportico pointed out that Coca-Cola’s stock had already started falling for other reasons before Ronaldo set the Coke bottles aside.

For its part, the Coca-Cola Company appeared unfazed by the flap, releasing a statement that “everyone is entitled to their drink preferences.”

As The Guardian noted, the outspoken Ronaldo, who has a staggering 550 million followers on his social media accounts, has reached a rare tipping point — he’s now more valuable as a social media influencer than as a player. The magnitude of his global social media platform, where he earns more than \$40 million a year on paid posts, has essentially freed him from the sponsorship rules other players have to follow.

Other superstars have recently forced the sports world to look at its rules after prioritizing more personal concerns over brand obligations.

In May, Japanese tennis champion Naomi Osaka withdrew from the French Open after deciding to skip mandated press conferences, citing severe anxiety and a desire to protect her mental health. Flummoxed officials fined her \$15,000 and threatened to throw the No. 2-ranked female tennis player out of the event. Osaka responded by pulling out of the tournament.

Osaka had already demonstrated a willingness to use her position to raise awareness about social issues. Last year, Osaka, whose Japanese and Haitian-American parents raised her in the U.S., briefly withdrew from the Western & Southern Open to protest the shooting of African-American man Jacob Blake.

The move spurred event organizers to suspend play for the day in solidarity. When play resumed, Osaka lost the women's single title to Victoria Azarenka, but later went on to win the 2020 U.S. Open wearing face masks with the names of victims of racial violence and police brutality.

Brands have embraced athletes with a social conscience. But what should a sponsor do with an athlete who is reluctant to talk to the media? Prioritizing her own mental health doesn't seem to have hurt Osaka's sponsorship deals. She recently added Google and Louis Vuitton to her roster of sponsors, which includes Nike, TAG Heuer and Mastercard. Osaka also made \$55 million in endorsements last year, a record for female athletes, according to Forbes.

At 23, Osaka is a young, multicultural advocate for social justice, and may now be even more appealing to brands for her willingness to share her own mental health struggles. Younger fans in particular can relate to Osaka when she speaks candidly about her anxiety and depression, and savvy sponsors are taking note. Nike, a brand that has blazed a risky but successful trail in building marketing campaigns around athletes and their social justice causes, such as former quarterback Colin Kaepernick, immediately issued a statement in support of Osaka after she withdrew from the French Open, noted Forbes.

U.S. gymnast Simone Biles recently brought the notion of putting one's mental health first to an even broader stage at the Tokyo Olympics.

Often cited as the sport's "greatest of all

time" and the winner of four gold medals at the 2016 Olympics, Biles stunned many when she withdrew from the gymnastics team competition in Tokyo. The move set off a firestorm of criticism and debate about athletes' responsibilities to their team, country and sponsors.

But Biles' sponsors, including Athleta and Visa, lauded her for putting her mental well-being first, citing her bravery and leadership. The celebrated Black gymnast has shown that she values working with like-minded sponsors after partnering with Athleta because she reportedly felt the athletic wear company reflected her own values.

At age 24, Biles likely has a long and decorated gymnastics career still ahead of her, and other athletes will undoubtedly follow her lead by speaking out about mental health and other personal issues. Both Biles and Osaka appear poised to become voices for young athletes, particularly women, and to help curb the entrenched culture of athletes "playing through the pain," whether that pain is physical or mental.

With the support of their sponsors, influential superstar players are increasingly focusing on their own values and needs, and making inroads against longstanding rules and attitudes in the sports world. In fact, the prevalence of political and social justice protests by athletes in recent years has led to one of the most conservative sports bodies making a key change in its rules. The International Olympic Committee (IOC) announced in early July that it would relax its stance on when and where athletes can protest.

Rule 50 of its Olympic Charter states: "No kind of demonstration or political, religious or racial propaganda is permitted in any Olympic sites, venues or other areas." In the past, athletes that took a knee or raised a fist to express their views faced disciplinary action. Now, athletes can make such gestures but only during the introduction of the athlete or team prior to the event. They are still barred from protests that target people, countries or organizations, or are disruptive. Athletes can also make statements and give their opinions during media interviews, press conferences and on social media, but are expressly prohibited from gestures, protests or demonstrations during official ceremonies, including medal ceremonies, and opening and closing ceremonies.

Changing sensibilities could have a more immediate impact in other quarters. While the longtime practice of placing sponsors' products on the table at press conferences remains standard practice — for now — Ronaldo's actions have opened the door to viewing these kinds of product placements in a new light.

Other potential results could have a far more widespread effect. Osaka and Biles' stances on the importance of an athlete's mental health has prompted other athletes to come forward about their own struggles and sparked discussion about protecting competitive athletes, especially teens. For brands that want to be part of important conversations both inside and outside of the sports world, athletes making hard decisions about their own well-being are the ones such brands may want to sponsor.