

 **[PRINT]** ESPN.com: Baseball



Thursday, June 2, 2005

A-Rod 'ultra-selective' about endorsements

By Darren Rovell
ESPN.com

When [Alex Rodriguez](#) signed with the Yankees in February 2004, the media hype was in full force.

"The endorsement potential is unfathomable," wrote one columnist. Said a sports marketer, "A-Rod in pinstripes will be so marketable, it's mind-bending." A memorabilia dealer predicted that Rodriguez's endorsement income would soon reach \$20 million.

Yet, more than a year later, Rodriguez is hardly in ads on every bus and taxi cab in New York City. In fact, A-Rod's endorsement intake, from deals with Speed Stick, Pepsi and Nike, won't even be worth a third of his \$25 million contract this year.

So what happened? Some say it has to do with A-Rod himself, while others opine that it is related to a reluctance by corporate America to invest in a steroid-tainted baseball world.

Rodriguez's teammate [Jason Giambi](#), who reportedly told a grand jury that he took steroids, had endorsement deals with Arm & Hammer deodorant and with Nike. An official at Church & Dwight, which owns the Arm & Hammer brand, said that Giambi wasn't renewed when his two-year contract expired in May. And a Nike spokesman confirmed to ESPN.com on Wednesday that Nike "no longer has a relationship with Jason Giambi."

Rodriguez, 29, could be all over the city pitching products on posters in the subway and on big billboards, says Steve Fortunato, vice president of Impact Sports, a company created by Rodriguez's agent, Scott Boras, to handle marketing needs for his clients. But marketing potential comes to fruition only if the athlete wants to be proactive, and the highest-paid player in baseball has been ultra-selective.

"We could have had 20 deals lined up right now," Fortunato said. "But he didn't come to New York to be 'Mr. Madison Avenue.' He came here to win a championship."

A-Rod also shares the marketing landscape with teammate [Derek Jeter](#), who was voted the most marketable player in baseball by a panel of experts surveyed by Sports Business Daily.

But Fortunato says his client's potential isn't overshadowed by Jeter, who has four World Series rings with the team and pitches for Nike, Armour Hot Dogs, Fleet Bank and Skippy.

"There's enough room in New York, America and the world for both Derek and Alex," Fortunato said.

David Carter, principal of the Sports Business Group, a sports-consultancy firm, says he thinks high-profile players are being offered fewer deals than they've been offered in the past because of the recent steroid scandal.

"There are a lot of corporate decision makers that have thrown the baby out with the bath water here," Carter said. "Although only a handful of players tested positive for steroids, the constant talk of the BALCO hearings isn't something that many companies want to walk into."

Carter says aligning with the sport, rather than a particular player, seems to be the safer way to go as a result of the scandal. Major League Baseball recently signed huge marketing deals, including an 11-year, \$650 million deal with XM Satellite Radio and lucrative sponsorships with Home Depot and DHL.

"If you invest in the league, you are not relying on hitting a grand slam with a guy like Michael Jordan or shooting an air ball with a guy like Kobe Bryant," Carter said.

But if it has to do with steroid reports and suspicions, why wouldn't [Barry Bonds](#), whose personal trainer Greg Anderson has been indicted in the BALCO steroid distribution case, lose endorsement deals?

Bonds' marketer Jeff Bernstein says that Bonds has more than 20 companies readying for the slugger's chase to surpass Hank Aaron's all-time home run record and not one company has dropped out.

"The fact is that the marketing potential with baseball players has always been limited compared to a sport like basketball," Bernstein said. "Cleated footwear makes up less than one percent of the shoe market, and baseball isn't in season when retailers are aiming to sell – during Christmastime and in the early first quarter of the year."

Nike can afford to pay LeBron James \$13 million a year because the company can sell the basketball shoes. Fila's attempt to make a Bonds' signature shoe, the Bonds XT, bombed soon after it was released at the 2003 All-Star Game. Jeter's Brand Jordan shoes have yet to catch on fire nationwide, but that hasn't stopped Nike from trying. Its latest effort is a baseball training shoe called the "Jeter Six4Three," which retails for \$110.

"Baseball has hit some bumps recently, but they still have great icons," said Reed Bergman, chief executive of Playbook Inc., a sports marketing firm. "People shouldn't be misled by the fact that the apparel companies don't fork over big bucks to the top players."

Sports marketers surveyed by ESPN.com say the most marketable baseball players earn an average of about \$4 million per year in off-the-field income, compared to the \$90 million earned by golfer Tiger Woods and the \$20 million per year earned by James.

Some of the difference is a function of the business of the sport, but could it be that Rodriguez and Jeter aren't remarkable enough?

Said Peter Stern, president of Strategic Sports Group, a New York-based sports marketing company: "It's possible that we haven't had the perfect storm of talent, personality and charisma here in New York yet."

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