

ADVERTISING

Sticking With the National Pastime

Marketers Line Up to Bat For Major League Baseball Despite Steroid Controversy

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Baseball faces its biggest controversy since the 1994 strike, but marketers are willing to give the national pastime a walk instead of calling it out on strikes.

With its season's opening day set for this weekend, Major League Baseball is dealing with an image tarnished by reported admissions of steroid use by players. Two weeks ago, some of the game's top players were hauled before a congressional hearing. The scene might seem enough to send many marketers heading for the exits. Instead, sponsors new and old have lined up in support of the iconic American sport.

Home Depot is expected to announce this week a "multiyear" sponsorship agreement with MLB, according to several executives familiar with the matter. A spokesman for Home Depot referred calls to MLB. John Brody, MLB's senior vice president of corporate sales and marketing, couldn't be reached to comment.

What's more, **General Motors**, the country's second-largest advertiser after **Procter & Gamble**, on March 23 signed up to make Chevrolet the "official vehicle of Major League Baseball" as part of a three-year pact. **General Mills** on March 10 agreed to make its Wheaties, long associated with the sports world, the "official breakfast cereal" of MLB.

"I am particularly proud and pleased with the support of all our business partners," says Baseball Commissioner Bud Selig in a statement. A MLB spokeswoman says the league hasn't lost any existing sponsors ahead of the season.

Beyond the other new deals, **Deutsche Post's** DHL delivery service and MLB are expected to hold a news conference later this week touting a new marketing pact, according to people familiar with the situation. A spokeswoman for DHL says the company declines to comment.

Why no immediate fallout? For one thing, other sports have their own problems. The National Hockey League has been scarred by a lockout and the cancellation of the 2004-2005 season -- leaving fans and marketers out in the cold. The National Basketball Association, already dealing with a rough-and-tumble image, was hurt by a fight in November with fans and players in a game with the Indiana Pacers and Detroit

Pistons.

"The deeper you look into any sports league, the more skeletons you will find," says Jeff Gagne, a media buyer at Havas's MPG. "Even the Olympics has had its fair share of controversy."

Further, at a time when home audiences are increasingly filled with ad-zappers who watch programs whenever they like, televised sporting events that get a consumer's adrenaline flowing are highly prized. As sports programs typically air live, attracting attentive viewership, they are quickly turning into a haven for anxious advertisers.

MLB isn't out of the woods just yet, experts say. If the steroid issue is going to have an effect, it might not come until later in the season, says David Carter, principal of Sports Business Group, a Los Angeles sports-marketing consultant.

"A lot of money for this season is in the bank," he says, with tickets purchased and sponsorships agreed upon. Through Feb. 28, more than 40.5 million tickets to baseball games had been purchased, according to MLB; the league says it didn't track sales as of that date last year. Still, if the controversy lingers and fans and marketers believe Major League Baseball isn't taking the steroid issue seriously, Mr. Carter adds, then problems could magnify.

A marketing executive from one of baseball's longtime sponsors says his company is "monitoring" how the steroid issue affects the major leagues. "We don't see any indication that ratings will go down, but we are keeping an eye on it," says Bob Cramer, a MasterCard vice president.

Others sound slightly more carefree. Baseball has endured other challenges, including labor unrest, and has emerged from them with the game intact, says Rick Parsons, a Bank of America executive vice president who oversees sponsorships. "This, too, will pass," he adds.

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