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Maria Sharapova: Marketing a Champion (A)

I would choose to win Wimbledon because then the millions will come.

—Maria Sharapova, aged 13, after being asked whether she would rather win Wimbledon or make \$20 million in endorsements, spring 2001¹

On Saturday, July 3, 2004, a 17-year-old Maria Sharapova became the third-youngest and first Russian woman to win Wimbledon, arguably the most prestigious tennis tournament in the world. “It’s always been my dream to come here and win, but it was never in my mind that I would do it this year,” said the newly crowned champion after beating the favorite, Serena Williams, in straight sets in a final watched by millions of television viewers. Sharapova had been widely praised for her power and poise during the tournament—the BBC even raved that Sharapova “showed just why she is set to be one of the biggest assets the women’s game has ever seen.”²

“That day, Maria’s life changed forever, and so did mine,” said Max Eisenbud, Sharapova’s agent. “I have to admit I cried my eyes out after her win.” Eisenbud, an agent at leading sports agency IMG, had guided Sharapova’s career since she had signed with IMG at age 11. In the early stages of Sharapova’s career, Eisenbud had been focused on helping her achieve success on the court as well as build relationships with corporate sponsors and otherwise advise her on business decisions. One focus for Eisenbud had been to differentiate Sharapova from Anna Kournikova, a fellow Russian tennis player who had been very promising as a teenager but had never won a major singles title and in recent years had become known more for her modeling work and tabloid appearances than her performance on the tennis court. Such comparisons would now be a thing of the past for Sharapova.

Eisenbud knew the Wimbledon championship would lead to a flood of new opportunities. His phone had been ringing off the hook ever since Sharapova’s victory had captured the world’s attention, and his e-mail box was overflowing with messages. It was critical to now make the right choices. What would be the best approach to the management and marketing of a champion like Sharapova? Which of the various endorsement offers and other opportunities would be worthwhile to pursue? And how could Eisenbud best leverage the resources available to him at IMG?

¹ HBO, *Real Sports*, “It Was Written,” Episode 106, January 17, 2006.

² Dan Warren, “Wimbledon bewitched by Sharapova,” BBC Sport Online, July 3, 2004, <http://news.bbc.co.uk/sport1/hi/tennis/3863419.stm>.

The Business of Sports

By some estimates, the sports industry accounted for close to \$40 billion in revenues in the U.S. and \$80 billion worldwide in 2003, up from \$34 billion and \$68 billion just two years earlier.³ Favorable economic conditions and the emergence of new media that provided alternative revenue streams fueled the strong growth in endorsements, sponsorships, and merchandising.

Exhibit 1 ranks the 25 highest-compensated American athletes by their total annual income from salary, winnings, endorsements, as well as appearance fees in 2003–2004, according to the magazine *Sports Illustrated*.⁴ Tiger Woods, with a total income of over \$76 million, occupied the top position in the list, followed by basketball players Shaquille O'Neal and LeBron James and quarterback Peyton Manning. The discrepancies between salary and endorsement income for the best-paid stars were often significant. For instance, while Boston Red Sox baseball player Manny Ramirez, 12th on the list, generated nearly all his income from salary and winnings and only a small portion from endorsements and appearance fees, the opposite was true for Andre Agassi, 7th on the list. Athletes' age and image were two factors that affected their endorsement appeal. For instance, basketball star Kobe Bryant's legal troubles were widely believed to limit his ability to attract and retain endorsements.

Tennis

Tennis was a game played between two players (singles) or two teams of two players (doubles) in which players used a racquet to strike a ball over a net into their opponent's court. In the U.S. alone, nearly 24 million people played the sport in 2003 and spent an estimated \$340 million on racquets and other tennis equipment. Millions of people also followed tennis as a spectator sport.

Four so-called Grand Slam tournaments ranked as the most important professional tennis events of the year: the Australian Open, the French Open (known as Roland Garros), Wimbledon in the United Kingdom, and the U.S. Open in New York. The combined attendance for these four events was over 2 million people; well over 600,000 fans usually attended the largest tournament, the U.S. Open, over its two weeks of play, and millions more watched it on television. "Tennis is one of the few truly global sports," said Eisenbud.

The Association of Tennis Professionals (ATP) and Women's Tennis Association (WTA) were the male and female professional tennis player organizations. The ATP ran the men's tour, which consisted of the Grand Slam events, nine Masters series, as well as the International Series Gold and the International Series. Total attendance was 6 million, and total prize money was over \$89 million. The WTA was in charge of the women's tour, which included the four Grand Slam events, the season-ending Sony Ericsson Championships, and over 50 other events, divided in several tiers based on their prize money. Attendance was over 4 million, and total prize money was close to \$57 million.

WTA players earned income in the form of prize money won by playing in tournaments. Tournaments in the highest tier had prize moneys of at least \$1.3 million, while lower-tier tournaments could revolve around as little as \$10,000 in winnings. Retired German player Steffi Graf led the all-time prize money rankings with a total of nearly \$22 million over the course of her career. Extra income was set aside for so-called exempt players who committed to playing a certain amount

³ "Global Entertainment and Media Outlook: 2006–2010," PricewaterhouseCoopers, New York, 2006.

⁴ Pete McEntegart, "The Fortunate 50," *Sports Illustrated*, May 14, 2004.

of tournaments over the course of the year. Exempt status was awarded by the WTA to players based on their ranking and popularity. The most successful players on the tour also landed significant appearance fees and sponsorship deals. For example, Justine Henin, the highest-ranked female tennis player, was sponsored by Adidas, Rolex, and Wilson. However, the average WTA player earned less than \$100,000 per year and had to pay for her own travel to and from tournaments as well as her own coaching and other support services.

The WTA released a ranking of the players' performance on the tour. The ranking reflected the tournaments played within the last year and was updated weekly. Players could earn points at each WTA tournament but they could gain more points at the Grand Slams and other higher-tiered tournaments and could win more points if they defeated higher-ranked players. (**Exhibit 2** lists the top-ranked players before and after Sharapova's Wimbledon championship.)

Maria Sharapova

An only child, Maria Sharapova was born on April 19, 1987, in the Russian industrial town of Nyagan in western Siberia. Her parents had relocated from Gomel, Russia, to escape the aftermath of the 1986 Chernobyl nuclear disaster. In 1989, the Sharapovas moved again to the Black Sea resort town of Sochi. It was here that she learned to play tennis, initially using a second-hand racket. Her father, Yuri Sharapov, recognized and nurtured his daughter's exceptional skills. In October 1993, while the two were attending tennis clinics in Moscow, Martina Navratilova happened to spot the then six-year-old hitting balls on the court. "She has talent,"⁵ the legendary champion commented to Sharapova's father. He took her words to heart. Yuri Sharapov and his wife Yelena decided to take a chance and seek world-class coaching for their daughter in order to help her reach her full potential. Father and daughter boarded an airplane to the United States in March 1995, leaving Sharapova's mother behind to finish college and await a visa.

When they touched down in Miami, neither spoke English, and her father had just \$700 in his pocket—money he had borrowed from his parents. Several days and many bus rides later, they arrived uninvited at IMG's Nick Bollettieri Tennis Academy in Bradenton, Florida. While the academy's coaches recognized Sharapova's talent, she was too young to be enrolled as a full-time student. Not easily discouraged, her father settled in nearby Venice and coached his daughter on public and private tennis courts. For two years, Sharapov worked odd jobs while his daughter competed in local tournaments and began to accumulate victories.

In December 1995, their perseverance paid off when Sharapova received a scholarship to the academy. The nine-year-old lived on the prestigious campus for seven months, seeing her father only on weekends and living with dorm mates most nearly twice her age. After obtaining a U.S. visa, Yelena Sharapova reunited with her family in June 1996, and the tennis prodigy moved into an apartment with her parents while she continued to perfect her skills at the academy.

A 13-year-old Maria Sharapova emerged onto the world stage with a win in the Girls' 16-and-under Eddie Herr Championships in November 2000. Her first professional tournament followed in April 2001, and her first WTA tournament in 2002 (see **Exhibit 3**). Sharapova's 2004 Wimbledon championship marked her first grand slam win.

⁵ Maria Sharapova, "Biography," personal website, <http://mariasharapova.com>.

Max Eisenbud

A 32-year-old graduate of Purdue University—which he attended on a full tennis scholarship—and a New Jersey native, Eisenbud had always been an avid sports fan. While he was at Purdue, he became involved in promoting parties and booking bands for his fraternity, which eventually led him to start his own concert promotion and artist management company, Max Out Productions. He subsequently worked at Flash Group Concerts, where he negotiated deals on behalf of colleges across the country with hundreds of bands playing at college campuses, and Mystic Artist Management, where he managed a promising new band. A call from his friend Justin Gimelstob, a professional tennis player ranked among the top 50 in the world who needed help planning a charity event, sparked the idea to become a sports agent and brought him in contact with IMG. “I never considered being an agent before,” admitted Eisenbud. “I always thought you had to be a lawyer to be an agent.”

IMG hired Eisenbud in 1999. As part of his training, IMG sent Eisenbud to the Bolletieri Academy in Bradenton, Florida, to monitor and recruit junior players in the IMG Elite Junior Tennis Program. The program consisted of young high-potential tennis players who had signed with IMG and who needed help with a variety of tasks such as scheduling tournaments, arranging sponsorships and funding, and building relationships with their federations.

Maria Sharapova was one of those young players. “I knew right away that she was special,” Eisenbud remembered. “Her discipline, her attitude, her tennis—I had a lot of experience in tennis, but I had never seen anything like it in my life.” Shortly after Gavin Forbes, a senior vice president of IMG’s tennis division, had signed her with IMG, Eisenbud began helping Sharapova and her father with everyday hassles such as securing visas for traveling, negotiating rates for accommodations, and working with the Russian federation—tasks that Forbes, who was based at IMG headquarters in Cleveland, Ohio, did not have time for. After six months, Yuri Sharapov called Forbes and asked for Eisenbud to become his daughter’s agent. Forbes continued to play a key role in what Eisenbud called “team Sharapova.”

Less than two years later, Eisenbud returned to IMG headquarters in Cleveland, where he became an account executive. He was able to focus more on his work with Sharapova and several other clients but continued to work on recruiting new talent to the Elite Junior Tennis Program. Eisenbud was promoted to vice president in early 2004.

As of July 2004, Eisenbud’s client list included nine other tennis players: Philip Bester, Brendan Evans, Justin Gimelstob, Viktoria Kutuzova, Corina Morariu, Max Mirnyi, Peng Shuai, Anna Tatishvili, and Jimmy Wang. Signed in 2001 and currently ranked 33rd on the ATP Tour, Mirnyi was the most accomplished player in this group. Evans, signed when he was 14 years old in 2000, was among the top American youth players.

Eisenbud spent the large majority of his time on tasks related to Sharapova. He said, “It was very obvious, even at an early time, that she was a great athlete. When she was only 13, she won a prestigious 16-and-under tournament. That’s when the requests started to come in, and it has only increased since then.” “When you work with someone that closely and for that long, it becomes more than just a business relationship,” commented Sharapova about her agent. “Trust is very important, and I trust Max. Of course I know that he needs to make money and it is also a business for him, but this is more than a business relationship. He thinks about my future. Max is half family, half agent.”

IMG⁶

IMG billed itself as “the world’s premier sports, entertainment and media company” and described its mission as “leveraging the unparalleled power of our worldwide resources, capabilities and assets to benefit our clients, customers and partners.”

Originally known as the International Management Group, it was founded by Mark McCormack. In 1960, McCormack, a lawyer, approached Arnold Palmer, a young golfer, told him that he saw potential in sports endorsements in the television age, and informed him that he was planning to start up a business revolving around personal business managers (agents) handling professional golfers’ affairs. Palmer agreed to be his first client and to pay a commission on his marketing endorsements in exchange for McCormack’s services. Their handshake established a company that would evolve into IMG. Palmer later emerged as one of the greatest players in the history of golf, while McCormack is widely credited with being the catalyst behind what was to become the sports marketing industry. McCormack passed away in 2003, after which Bob Kain and Alastair Johnston were named the new co-CEOs of IMG.

Headquartered in Cleveland, Ohio, IMG employed over 2,500 people in 70 offices across more than 30 countries in 2004. Ranked among the world’s largest private companies, IMG had annual revenues well over \$1.26 billion in 2002.⁷ Tellingly, in 2004, IMG was commercially involved in an average of 10 major sports and cultural events around the world every day.

IMG represented hundreds of athletes, performing artists, writers, fashion models, television properties, events, cultural institutions, and corporations around the world. IMG’s list of clients included Gisele Bundchen, Bob Costas, Sidney Crosby, Chris Evert, Sergei Fedorov, Sergio García, Jeff Gordon, the Grammys, Scott Hamilton, Elizabeth Hurley, the International Olympic Committee, Michael Johnson, Major League Baseball, Manchester United, John McEnroe, Jack Nicklaus, the Nobel Foundation, Oxford University, Arnold Palmer, Itzhak Perlman, Philips, Ronaldo, the Royal and Ancient Golf Club of St. Andrews, the Royal Horticultural Society, Rugby World Cup, Pete Sampras, Michael Schumacher, Annika Sorenstam, Picabo Street, the Sydney Opera House, Liv Tyler, the USGA, Wembley Stadium, Venus Williams, Wimbledon, and Tiger Woods.

Areas of Business

IMG’s activities included client representation in sports, broadcasting, music, and fashion, licensing and consulting services, event ownership and management, management of sports academics, and golf course design. “Talent is only about one-fourth of what IMG does,” said Eisenbud. “We are active in media, consulting, sponsorship, general management—lots of different areas. Although the talent agency is the sexiest part of our business, there is much more to IMG than most people think.”

The company was divided into several business units, including IMG Academies (which included the Nick Bollettieri Tennis Academy), Broadcasting, Consulting, Fashion, Licensing, Live, Media, Models, Olympics, Speakers, Special Projects, and Stadium and Arena Group (see **Exhibit 4** for a description of these units). Divisions also existed for specific sports, including Action Sports, Cricket, Soccer, Figure Skating, Golf, Rugby—and Tennis.

⁶ Also see Bharat N. Anand and Kate Attea, “International Management Group (IMG),” HBS No. 702-409 (Harvard Business School Publishing, 2002).

⁷ “Forbes Largest Private Companies,” *Forbes*, July 11, 2002.

IMG Tennis

Established in 1968 when McCormack signed Rod Laver, his first tennis client, IMG Tennis was active in the areas of player representation, teaching academies, tournament and tour management, television-related initiatives, and corporate sponsorships. IMG Tennis's executives were based around the world.

IMG represented top players and up-and-coming stars on both the WTA and ATP Tours. Its tennis client list included many of the greatest players in the game's history, including Bjorn Borg, Jennifer Capriati, Jim Courier, Lindsay Davenport, Chris Evert, Roger Federer, Billie Jean King, Ivan Lendl, John McEnroe, Martina Navratilova, Pete Sampras, Arantxa Sanchez-Vicario, Monica Seles, Venus Williams, and Serena Williams. Its Bollettieri Tennis Academy offered a training system for tennis players from around the world.

Founded by Nick Bollettieri in 1977, the Bollettieri Sports Academy was located on a 180-acre campus in Bradenton, Florida. IMG bought the academy in 1984 for \$7 million.⁸ While IMG provided a select group of promising tennis players with full scholarships to fund their stay at the academy, other aspiring tennis players could also train at the academy. The standard package, consisting of intensive coaching and training plus a psychology program tailored to an individual, cost over \$20,000 per year, with additional fees for school tuition and special sessions. The academy had close to 500 full-time students.⁹

IMG Tennis also owned and was involved in more professional tennis events than any other company. It had worked in various capacities on behalf of the Australian Open, Roland Garros, Wimbledon, and the U.S. Open, as well as the ATP and the WTA Tours. It had also helped produce and distribute tennis programming on behalf of those rights holders. Recently, it had supported the launch of the Tennis Channel, a 24/7 digital cable network devoted to the game of tennis and its personalities. Finally, it had developed strong relationships with corporations around the world that were looking to associate themselves with tennis players or events.

Sharapova remarked that she felt fortunate to be with IMG: "I know many athletes leave their agency, but IMG is a special company, and I am very happy here. There are so many people in the organization that have experience with certain things, they really know what to do in pretty much any situation."

IMG's Agents and Salespeople

IMG prided itself on its team-oriented, global approach to helping world-class tennis players maximize their potential both on and off the court. Agents and salespeople played a critical role.

Agents IMG's agents were responsible for managing athletes. Each agent typically supported at least a handful of athletes. Their activities ranged from arranging travel and accommodation to booking appearances, exploring licensing opportunities, negotiating endorsement deals, and taking care of other marketing tasks. "Being an agent sounds very cool," said Eisenbud. "But you have to realize there is only one star. I learned that very quickly: there is only one star, and that is Maria Sharapova. The best agents are humble, work behind the scenes, and do anything for their client. I am always thinking about what is best for her."

⁸ "Reading, Writing—and Winning," *BusinessWeek*, April 2, 2001.

⁹ Ibid.

"An agent truly helps build an athlete's brand," added Alan Zucker, IMG's senior vice president of athlete marketing and the agent for six athletes, including National Football League (NFL) star quarterback Peyton Manning. In his role as head of athlete marketing, Zucker also helped IMG's other agents. He assisted people such as Eisenbud with Maria Sharapova, Mark Steinberg with Tiger Woods, and Tony Godsick with Roger Federer and helped them make business decisions about endorsements, licensing, personal appearances, and other marketing activities. Agents frequently called on Zucker and on one another when they encountered situations they had no or limited experience with.

Salespeople IMG's agents were supported by a global sales team made up of over 30 executives based around the world, whose job it was to represent IMG in its contacts with corporate clients. Zucker, who in addition to being an agent was one of the leading executives in this team, commented: "Our sales team represents the company as a whole, including the properties and the athletes it owns and manages to the corporate world, ranging from car manufacturers and credit card companies to cell phone manufacturers and fast-food chains. They assist our agents in driving revenue and building their brand through affiliations with multinational companies."

The salespeople regularly called on chief marketing officers and other marketing executives in a wide range of companies to find the best match of athletes and corporate clients. "We know the decision makers—the CMO, or the head of sponsorship, or the person responsible for buying endorsements—and constantly strive to build better relationships with them" said Zucker. "Being a good agency is about who you know. Of course it is about negotiating the best deals, but it is also about knowing which companies to go to in order to get the deals. We want to figure out what their 'hot buttons' are."

IMG worked with a "sales list," an overview of salespeople who were the first point of contact for major brands within certain product categories, to streamline the sales process. For instance, in the category of cell phones, Zucker was the touch point for Motorola, SBC, Sprint, and T-Mobile, while one of his colleagues maintained a relationship with LG, Samsung, and Verizon and a third with Dokomo and Siemens. Zucker also was the primary contact person for four brands in the health and beauty segment and one in the beverages category.

Making deals Eisenbud often benefited from the global sales team's work. He preferred to personally handle all of Sharapova's tennis industry deals, building on his expertise in tennis, while the global sales team typically helped him with any nontennis deals: "I could of course call all kinds of companies directly, but involving the salespeople ensures our interests are properly aligned." "While he is sleeping in Cleveland, people in other parts of the world can be running around trying to get deals for Sharapova," added Zucker. "Eisenbud will know the athlete's brand better than anyone, but they can get the conversation started, and he can join in when there is interest."

When a big event such as a Wimbledon victory happened to one of IMG's athletes, one or two salespeople typically put together what agents referred to as a "blitz package" or "hit list." It consisted of a listing of all the product categories that might be relevant to the athlete, major companies within those categories, IMG's salespeople responsible for each account, and any indications of interest or movement among the companies, as assessed by the sales team. The blitz package was usually based on extensive communication between the agent and the sales team about the unique characteristics of an athlete.

Compensation plans for agents and salespeople were a closely guarded secret throughout the industry, but agencies like IMG were thought to receive an average of 10% of an athlete's prize

money and 20% of his or her endorsement earnings.¹⁰ Agents were compensated in the form of a fixed salary, a sales-based commission, or a combination of the two. Eisenbud did not receive commission: “I might receive a bonus at the end of the year depending on how the tennis division is doing, but that is all.” The salespeople’s salaries were commission based. Some industry observers assumed commissions for people involved in endorsement or sponsorship negotiations to be as high as a quarter of the agency’s total fees.¹¹

Speaking in general terms about the financial incentives for endorsement deals, Zucker said: “It is our job to make sure we serve both athletes and corporate clients. If Maria Sharapova is your responsibility, you want to make sure that people know about her. If you are calling on a multinational organization, you want to make sure that you are aware of what their opportunities are. It is all common sense.”

Marketing Sharapova

Marketing the Promise of Success

Preparing for greatness On the court, even as a very young player, Sharapova was known as a fighter, competing hard for every point. “She’s ready to sweat and fight and scrap and do anything she can to try to win,” Eisenbud said. “Let’s not kid ourselves—she is 6’2”, blond, and a very attractive woman, and that is one of the reasons why she generates attention, but above all she wins, and that is what makes her Maria Sharapova.” He felt it was important to capture these characteristics of her personality in her off-the-court image. In order to position her as a “winner,” he encouraged her to only take interviews after wins: “It is important that she gets media attention when she wins, not just because she looks good.” He remembered:

She did a story for *HBO Real Sports* when she was 13 years old. They noticed Maria at the Bollettieri Academy. I encouraged them to watch her play, and talk with her, and make her life story a focus in their segment on the academy. So I am sitting on the side when they interviewed her. At one point, they asked Maria, “If you had a choice between winning Wimbledon or making \$20 million in endorsements, what would you choose?” She looks right into the camera and said, “I would want to win Wimbledon, because then the millions will come, and it will be \$20 million.” She went on to say, “I want to be the number one in the world,” and that was so from her heart—that was the first time I realized how real she was.

Later that year, she reached the finals of the Australian Open Juniors tournament and had her first professional win, an ITF Challenger event in Japan. Eisenbud, confident of her potential, began to sell his colleagues at IMG on Sharapova. As she continued to win more matches, he sent the IMG Global Sales Group press kits to educate them on his player. “I wanted them to know who she was when she hit it big,” he said.

Sharapova versus Kournikova One focus for Eisenbud was differentiating Sharapova from Anna Kournikova, one of the best-known players on the women’s tour. Also blonde haired, Russian born, an IMG client (she later left for a competing agency), and educated at the Bollettieri Academy from an early age, Kournikova broke into the top 20 at age 17 after she made it to the 1997 Wimbledon semifinals and later ranked as high as number eight in the world, although she never

¹⁰ Anand and Attea.

¹¹ Ibid.

won a WTA singles tournament. She did reach the top spot in the WTA rankings in women's doubles. Her final playing years were marred by a string of injuries, which caused a sharp drop in her ranking. She retired from professional tennis in 2003.

Despite her accomplishments on the court, Kournikova was more renowned for her beauty than her tennis game. Most of her fame came from publicity surrounding her physical beauty and personal life. From her debut at the 1996 U.S. Open onwards, her pictures were a staple in newspapers and magazines all over the planet. In 2000, Kournikova became the new face for Berlei's shock-absorber sports bras and appeared in the much-hyped "only the ball should bounce" billboard campaign. Photographs of her scantily clad body appeared in various men's magazines, including *Sports Illustrated* swimsuit issues, *FHM*, and *Maxim*. She was named one of *People's* 50 Most Beautiful People four times, was voted "hottest female athlete" and "hottest couple" (with singer Enrique Iglesias) on sports site ESPN.com, and was voted *FHM's* Sexiest Woman in the World in 2002. Less flattering, citing the degree of hype as compared to actual accomplishments as a singles player, ESPN ranked Kournikova 18th in its "25 Biggest Sports Flops of the Past 25 Years."

"I have a tremendous amount of respect for Kournikova," countered Eisenbud. "I think she has been a pioneer in many ways and put Russian tennis on the map. She gets a bad rap, and no, she never won a tournament, but she was still a great tennis player. I just think that blue-chip companies look for endorsers that are champions."

Early deals As of 2004, Sharapova's endorsements were limited to deals with Nike and with Prince rackets, which she signed at the age of 11 and 14, respectively. Eisenbud and Gavin Forbes, head of IMG Tennis, deliberately secured her clothing and equipment deals that involved well-known, elite brands and—demonstrating a strong belief in Sharapova's ability to reach the top—that would expire when she was at an age that allowed her to compete with the world's top tennis players. "The most important part of those deals is not how much the guarantee is, but when they expire," said Eisenbud.

According to Eisenbud, Sharapova had been involved in all decision making. "We are a good team. We bounce ideas off each other. I could never twist her arm to do something," he said. Sharapova acknowledged she focused on the big picture in business discussions: "It is really the team that makes the decisions—my parents, my coaches, and my agent. I oversee it. If I were involved in all the many little decisions, I would never have time to play tennis."

Marketing a Wimbledon Champion

Sharapova went to Wimbledon as the number 15 in the world and an outsider for the title at best. She faced Lindsey Davenport, one of the favorites in the semifinal. Eisenbud recalled:

My best friend, Tony Godsick, manages Davenport. We were both there. Initially Davenport was killing Sharapova. She won the first set 6-2 and was up a break in the second when it started to rain. Tony and I went to the IMG marquee. I thought it was all over, and Tony actually consoled me. Then, after a two-hour rain delay, she comes back, and—boom! She wins 7-6 in the second set and then beats her 6-1 in the third. Two days later, she played the final against Serena Williams—a skinny little girl against a great champion with enormous physical strength. She won the first set 6-1, and I did not think she could keep it up, but she did. It was just an amazing win that struck a chord with everyone.

Zucker agreed: "It was 'the perfect storm.' She was 17 years old, beautiful, brand new, she just upset the number one player at Wimbledon in front of a worldwide television audience, she looked

cute doing it, and her story, with her being from Russia and her father having worked his behind off to give her a shot at a tennis career, is just incredible.”

Within six hours of Sharapova’s victory, Eisenbud had received nearly 700 e-mails, the majority of which were media and appearance requests, ranging from *The Tonight Show with Jay Leno* and MTV’s *Total Request Live* to the *Kid’s Choice Awards*. The public’s interest in Sharapova shot up, as illustrated by the fact that her name became the sixth most-popular query on Google that week and a top 10 search term in each of the Yahoo Buzz Index’s major countries, ranging from Argentina and Australia to South Africa, Spain, and Thailand.

Importantly, lucrative endorsement and other opportunities also emerged.

Motorola One opportunity was due to Zucker’s efforts, explained Eisenbud:

When I was in the player box crying my eyes out, Maria was on the court trying to call her mom on a cell phone, but the phone did not work. The whole episode was captured on television. Alan Zucker was at home watching. He immediately called the head of marketing at Motorola and asked him if he was seeing it, too. He was. Zucker proposed a meeting to discuss a Motorola endorsement right there and then.

“When her unbranded cell phone failed to do its job, a light bulb went off in my head immediately,” Zucker confirmed. “I have great relationships with Motorola, Nokia, Sony Ericsson, among other companies, and I thought the ‘our cell phone always works’ message would be of great value to them. I knew Motorola, I was on a call with them last week, and I knew they were about to come out with the new Razor phone, so it was easy to reach out to them.”

An initial meeting with Motorola was scheduled for the next week. Eisenbud wondered how he should value the opportunity and how best to approach the meeting.

Other opportunities Among the many requests that found their way to Eisenbud, Forbes, Zucker, and other IMG executives were several other possibilities worth considering. (**Exhibit 5** provides a list that was representative of the larger set of opportunities.) Eisenbud thought about how to prioritize and deal with these requests. More generally, he wondered what the best direction for the newly crowned champion would be. What was the preferred overall marketing strategy and the right balance between short- and long-term opportunities? And how could Eisenbud best leverage the resources available to him at IMG?

The first deals Sharapova would engage in after Wimbledon would likely have a considerable impact on perceptions of Sharapova’s brand and her future opportunities, so Eisenbud knew that making the right choices was critical. He recognized that capitalizing on her victory was a once-in-a-lifetime opportunity and possibly extremely lucrative. At the same time, one look at the calendar for the coming year (see **Exhibit 6**) reminded him of the limited time that was available for sponsorship commitments. Above all, he was cognizant of Sharapova’s long-term goal to be the number one tennis player in the world.

Exhibit 1 The Top 25 Highest-Compensated Athletes by Their Total Annual Income in 2003–2004

Rank	Athlete	Sport (Team)	Salary or Winnings (including bonuses)	Endorsements and Appearance Fees	Total Income
1.	Tiger Woods	Golf	\$6,673,413	\$70,000,000	\$76,673,413
2.	Shaquille O'Neal	Basketball (Los Angeles Lakers)	\$26,517,858	\$14,000,000	\$40,517,858
3.	LeBron James	Basketball (Cleveland Cavaliers)	\$4,018,920	\$35,000,000	\$39,018,920
4.	Peyton Manning	Football (Indianapolis Colts)	\$26,900,000	\$9,500,000	\$36,400,000
5.	Kevin Garnett	Basketball (Minnesota Timberwolves)	\$29,000,000	\$7,000,000	\$36,000,000
6.	Oscar De La Hoya	Boxing	\$30,000,000	\$2,000,000	\$32,000,000
7.	Andre Agassi	Tennis	\$2,530,929	\$24,500,000	\$27,030,929
8.	Kobe Bryant	Basketball (Los Angeles Lakers)	\$13,498,000	\$12,000,000	\$25,498,000
9.	Derek Jeter	Baseball (New York Yankees)	\$19,000,000	\$6,000,000	\$25,000,000
10.	Grant Hill	Basketball (Orlando Magic)	\$13,279,250	\$11,000,000	\$24,279,250
11.	Vince Carter	Basketball (Toronto Raptors)	\$16,000,000	\$8,000,000	\$24,000,000
12.	Manny Ramirez	Baseball (Boston Red Sox)	\$23,700,000	\$250,000	\$23,950,000
13.	Dale Earnhardt Jr.	Auto Racing	\$7,081,807	\$15,000,000	\$22,081,807
14.	Mike Piazza	Baseball (New York Mets)	\$15,000,000	\$6,500,000	\$21,500,000
15.	Tracy McGrady	Basketball (Orlando Magic)	\$13,279,500	\$8,000,000	\$21,279,500
16.	Alex Rodriguez	Baseball (New York Yankees)	\$17,000,000	\$4,000,000	\$21,000,000
17.	Allen Iverson	Basketball (Philadelphia 76ers)	\$13,500,000	\$7,000,000	\$20,500,000
18.	Sammy Sosa	Baseball (Chicago Cubs)	\$16,000,000	\$4,000,000	\$20,000,000
19.	Barry Bonds	Baseball (San Francisco Giants)	\$15,000,000	\$4,000,000	\$19,000,000
20.	Carlos Delgado	Baseball (Toronto Blue Jays)	\$18,500,000	\$250,000	\$18,750,000
21.	Jeff Gordon	Auto Racing	\$6,622,002	\$12,000,000	\$18,622,002
22.	Anfernee Hardaway	Basketball (New York Knicks)	\$13,500,000	\$4,250,000	\$17,750,000
23.	Serena Williams	Tennis	\$2,504,871	\$15,000,000	\$17,504,871
24.	Jason Giambi	Baseball (New York Yankees)	\$14,000,000	\$3,500,000	\$17,500,000
25.	Rasheed Wallace	Basketball (Detroit Pistons)	\$16,990,000	\$300,000	\$17,290,000

Source: Compiled from "The Fortunate 50," *Sports Illustrated*, May 14, 2004.

Exhibit 2a Top-Ranked WTA Tennis Players Before and After Wimbledon, 2004

Rank	Ranking as of June 21, 2004	Ranking as of July 5, 2004
1	Justine Henin-Hardenne (BEL)	Justine Henin-Hardenne (BEL)
2	Kim Clijsters (BEL)	Kim Clijsters (BEL)
3	Anastasia Myskina (RUS)	Anastasia Myskina (RUS)
4	Amelie Mauresmo (FRA)	Amelie Mauresmo (FRA)
5	Lindsey Davenport (USA)	Lindsey Davenport (USA)
6	Elena Dementieva (RUS)	Elena Dementieva (RUS)
7	Jennifer Capriati (USA)	Jennifer Capriati (USA)
8	Venus Williams (USA)	Maria Sharapova (RUS)
9	Svetlana Kuznetsova (RUS)	Svetlana Kuznetsova (RUS)
10	Serena Williams (USA)	Ai Sugiyama (JPN)

	#1 Justine Henin-Hardenne	#2 Kim Clijsters	#3 Anastasia Myskina	#4 Amelie Mauresmo	#5 Lindsey Davenport
2003 Results					
Australian Open	Semifinal	Semifinal	Quarterfinal	Did Not Play	Fourth Round
Roland Garros	Winner	Final	Second Round	Quarterfinal	Fourth Round
Wimbledon	Semifinal	Semifinal	Fourth Round	Did Not Play	Quarterfinal
U.S. Open	Winner	Final	Quarterfinal	Quarterfinal	Semifinal
2004 Results					
Australian Open	Winner	Final	Quarterfinal	Quarterfinal	Quarterfinal
Roland Garros	Second Round	Did Not Play	Winner	Quarterfinal	Fourth Round
Wimbledon	Did Not Play	Did Not Play	Third Round	Semifinal	Semifinal
Endorsements					
	Adidas	Alpro Soya	Nike	Reebok	Nike
	Wilson	Sanex	Head	Head	Wilson
	Rolex	Fila		Alain	Fila
	Randstad			Afflelou	
				Forte Pharma	
				Gaz de France	

Source: Compiled from WTA Tour.

Exhibit 2b Top-Ranked ATP Tennis Players After Wimbledon, 2004

	#1 Roger Federer	#2 Andy Roddick	#3 Guillermo Coria	#4 Carlos Moya	#5 Tim Henman
2003 Results					
Australian Open	Fourth Round	Semifinal	Fourth Round	Second Round	Did Not Play
Roland Garros	First Round	First Round	Semifinal	Quarterfinal	Third Round
Wimbledon	Winner	Semifinal	First Round	Did Not Play	Quarterfinal
U.S. Open	Fourth Round	Winner	Quarterfinal	Fourth Round	First Round
2004 Results					
Australian Open	Winner	Quarterfinal	First Round	Did Not Play	Third Round
Roland Garros	Third Round	Second Round	Final	Quarterfinal	Semifinal
Wimbledon	Winner	Final	Second Round	Fourth Round	Quarterfinal
Endorsements					
	Emmi Gillette Jura National Suisse Nike Rolex	Lexus Lacoste SAP Babolat	Prince		Adidas Ariel Jaguar Robinsons Slazenger

Source: Compiled from ATP Tour.

Exhibit 3 Maria Sharapova's Accomplishments

Year	Tournament	Type	Best Result	WTA Rank (before tournament)
2003	Australian open	Grand Slam	First Round	183
	Midland	ITF	First Round	156
	Indian Wells	Tier 1	First Round	157
	Miami	Tier 1	First Round	166
	Charleston	Tier 1	Second Round	166
	Sea Island	ITF	Winner	163
	Roland Garros	Grand Slam	First Round	139
	Birmingham	Tier 3	Semifinal	125
	Wimbledon	Grand Slam	Fourth Round	91
	Los Angeles	Tier 2	Fourth Round	56
	Toronto	Tier 1	First Round	54
	U.S. Open	Grand Slam	Second Round	54
	Shanghai	Tier 2	Quarterfinal	52
	Japan	Tier 3	Winner	48
	Luxembourg	Tier 3	Semifinal	37
	Quebec City	Tier 3	Winner	32
2004	Australian open	Grand Slam	Third Round	32
	Tokyo	Tier 1	Fourth Round	27
	Memphis	Tier 3	Semifinal	25
	Indian Wells	Tier 1	Fourth Round	24
	Miami	Tier 1	Fourth Round	23
	Berlin	Tier 1	Fourth Round	22
	Rome	Tier 1	Fourth Round	19
	Roland Garros	Grand Slam	Quarterfinal	18
	Birmingham	Tier 3	Winner	15
	Wimbledon	Grand Slam	Winner	15

Source: Compiled from WTA Tour.

Exhibit 4 IMG's Business Units: Selected Examples

Unit	Description
IMG Academies	Owned and operated the world's largest collection of sports training and education facilities, including the Nick Bollettieri Tennis Academy and the David Leadbetter Golf Academy.
IMG Broadcasting	Represented anchors, correspondents and reporters in network, cable and local television.
IMG Consulting	Worked with large corporations on the development and management of sports, event, and entertainment marketing strategies.
IMG Fashion	Was the global leader in the management and production of fashion weeks and designer fashion events, including Fashion Weeks in New York, London, Milan, and Moscow, and published fashion media.
IMG Licensing	Was the largest independent licensing firm in the world, and assisted clients in identifying and negotiating licensing opportunities with licensees. It was responsible for over \$5 billion in worldwide retail sales of its clients' licensed merchandise.
IMG Live	Functioned as the company's event marketing arm, and helps clients with, among other things, mobile marketing, entertainment marketing, product launches, and college marketing.
IMG Media	A leader in the delivery of traditional and new media content and services, it produced and distributed 6,500 hours of original programming annually across multiple platforms to more than 200 countries covering over 200 sports, as well as thousands of hours of other types of content. It also represented the broadcast rights to many premier sporting events and held the world's biggest sports archive with more than 200,000 hours of footage.
IMG Models	Was the world's top international model management firm. It represented celebrities, including many of the world's top models, who graced fashion media, advertising campaigns, and catwalks.
IMG Olympics	Worked on activities related to the games, from helping cities vie for host city rights to negotiating sponsors' contracts and unlocking other marketing opportunities.
IMG Speakers	Represented prominent speakers available for lectures and other presentations.
IMG Special Projects	Developed and implemented promotional marketing and sponsorship programs for organizations such as Universal Studios, the Grammys, the Rock and Roll Hall of Fame, the Smithsonian Institute, the Kennedy Space Center, and the Nobel Foundation.
IMG Stadium and Arena Group	Worked with leagues and franchises in developing products and evaluating business models for stadiums and arenas.

Source: IMG company documents.

Exhibit 5 A Selection of Endorsement or Appearance Opportunities

Company/Brand	Description
Advertising campaign for furniture company in the U.K.	A furniture company that sponsored an English tennis tournament that Sharapova recently won is interested in featuring her in a six-week advertising campaign in the U.K. The request involves one photo shoot, either in the U.S. or in the U.K., in the next two months. The company asks for an indication of the required fee.
Luxury goods event in China	A French luxury goods company known for its handbags is opening a store in Shanghai, its largest in Asia, in September (around the Beijing Open), and requests Sharapova to be a VIP guest for the event. The IMG representative who maintains contact with the client is confident that the company could become a worthwhile endorsement prospect in the future.
Personal fragrance license	A creative perfumer suggests developing a fragrance license for Sharapova with one of the industry's leading multinational perfume and cosmetic groups. The idea is to market and internationally distribute a premium fragrance brand in her name. Revenue or profit sharing agreements are to be negotiated.
Launch event in Dublin	According to an account director at a leading public relations company in Dublin, Ireland, her client is interested in inviting Sharapova to make a personal appearance at a launch event that will take place in Dublin in August or September 2004. The event would not require Sharapova to verbally endorse a product. The brand is one of the most reputable brands in Ireland, the client can be flexible to suit her availability, and the client is willing to accommodate "reasonable" fee demands.
Luxury goods endorsement	A British luxury goods seller is keen to use Sharapova as an ambassador for its jewelry, handbags, perfume, and watches. The company has flagship stores in London and New York, and is pursuing an aggressive global expansion program targeting 40 new stores, including a store in Moscow, Russia, scheduled to open in the spring of 2005. The company asks for an indication of the required fee.
Skin care treatment endorsement	A manufacturer of skin care products is interested in having Sharapova do a cameo in an infomercial for its acne skin care treatment. The endorsement would be a two-year deal and involve one or two service days per year, with a fee close to \$1 million per year. The company enlists the help of several celebrities.

Source: IMG company documents.

Exhibit 6 Sharapova's Calendar for 2004/2005

July 2004 S M T W T F S Wimbledon Training Training Training San Diego	August 2004 S M T W T F S Montreal 9 10 11 12 13 14 15 16 17 18 19 20 21 22 New Haven US Open	September 2004 S M T W T F S US Open US Open 13 14 15 16 17 18 19 Beijing Seoul
October 2004 S M T W T F S Seoul Japan Open 11 12 13 14 15 16 17 Zurich 25 26 27 28 29 30 31	November 2004 S M T W T F S Philadelphia Tour Championships 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30	December 2004 S M T W T F S 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31
January 2005 S M T W T F S 1 2 3 4 5 6 7 8 Training Australian Open Australian Open	February 2005 S M T W T F S Tokyo Training Training Qatar	March 2005 S M T W T F S Training Indian Wells Indian Wells Miami Miami
April 2005 S M T W T F S Miami Training Training Training Training	May 2005 S M T W T F S 1 Berlin Rome Training French Open	June 2005 S M T W T F S French Open Birmingham Training Wimbledon Wimbledon

Source: IMG company documents.