



Profile of Patrick Nally, founder, West Nally

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Profile

Patrick Nally is a remarkable manager, variously referred to as a 'pioneer' and the 'godfather' of sports marketing and sponsorship (Emmett, 2011). In terms of public relations, he was one of those who transformed the sports industry, particularly in the 1970s and 1980s, by identifying the potential of sports to be a communications medium and recognising the need of large commercial entities for a global stage upon which to build their brands.

Patrick started his journey in the UK, quickly becoming a strong influence on the way global corporations were using sports to communicate brand message. He was also instrumental in making major improvements to the structure and infrastructure of sports federations such as the Lawn Tennis Association (LTA), the British Amateur Athletic Board (BAAB), the Federation Internationale de Football Association (FIFA) and the International Olympic Committee (IOC). Through West and Nally (the company he established with Peter West) Patrick helped to establish events such as the World Athletics Championship, the Rugby World Cup and the FIFA Under 20 World Cup.

Customer commitment and loyalty can only happen once brand awareness has been established, and Patrick Nally saw the potential of sports to deliver brand awareness on a global scale. Brands such as Coca-Cola, Adidas, Gillette, Kraft, Ford Motor Company and NatWest have benefitted tremendously from his

management skills. Each of these brands gained a synergistic benefit by matching their desired brand attributes to a sport that subtly underlined or reinforced them, creating a positive image that would remain memorable long after the association between sport and brand had ended. Examples of this are Kraft Foods' association with British Athletics, the NatWest Trophy (cricket) and Green Shield Stamps' (who would later become Argos – the UK's largest general merchandise retailer) sponsorship of the LTA's drive to encourage youth tennis.

According to Tim Crow (2010), director of consultancy Synergy, Patrick Nally and Horst Dassler (of Adidas) were among those who really shaped the sponsorship scene. Through their work on the 1978 and 1982 FIFA World Cup competitions they created the multi-sponsor model for major events that is prevalent today.



Biography

Patrick Nally is the Chief Executive Officer of West Nally, founded with Peter West in London in 1969. West Nally describes itself as “The founding agency of the modern Sports Marketing Industry” and works with international sports federations, UNESCO and leading agencies in the development of marketing strategies that use sports as a means of communication.

Nally had no formal education. In his early teens he started working on his own projects, cleaning shop fronts or other people’s cars or working in markets. As an entrepreneur he was an early starter who had to look after himself, so he quickly learned to stand on his own feet, generating money to support himself and coming up with new ideas as to where revenue could be generated. At fifteen years of age he began working as a messenger boy at Notley Advertising in Berkeley Square, London, where he went round the agency, learning the fundamentals of the industry.

He moved to Erwin Wasey, a well-known American agency, where he was encouraged to go into the PR department. He gained experience with projects such as The New Zealand Meat Producers Board, Philips dictation machines and Trebor sweets and then became a freelance journalist for Littlewoods Pools. He gained experience with the sporting media by networking with industry contacts who were interested in his stories and he developed a good position within the department of Wasey’s. When a small group of the directors at Wasey’s were thinking of setting up their own advertising agency, Nally, at 19 years of age, was (to his surprise) offered the job of managing director of the PR company within this new agency. It was at this point he met Peter West who would become the chairman of the new company, to be called Peter West & Associates PR Ltd.

“Peter and I made the decision. I went across, I set it up, I started. This was when I said: ‘Let’s use sport as a means of communication’.”

He persuaded Green Shield Stamps to become a client, Kraft Foods followed shortly afterwards and big name brands continued to join the agency over the next sixteen months. These were exciting times for the new company. However, when Nally was presented with a set of accounts to sign he discovered that significant amounts of the money coming into Peter West & Associates PR Ltd seemed to be going to the parent company as ‘management fees’. He realised that neither Peter West nor himself really controlled this business. He described his innocence:

“I’m nineteen years of age when it started, I suppose I’m now about twenty, going on twenty one – and I just said to Peter at that moment: ‘Look, Peter, I don’t understand this. This is not why I got involved with this. I thought you and I were really controlling this business... running this business.’ So I said to Peter: ‘You know, this is not for me. I’m off.’” And he says: ‘Well, if you’re off, I’m off too.’”

Nally and West told their colleagues they were leaving. They tried to think of an exotic, sports-related name for the new business but couldn’t find one that worked. They decided to call it West and Nally, dropping the ‘and’ later when they realised that it was being interpreted as ‘West End Alley’, a team of bowling consultants (Urwin, 2013). It was a brave step to go out on their own but although they didn’t solicit big names, Nally recounts that it didn’t take very long for their previous clients to say: “Look, this is ridiculous, you know, these people don’t understand, it’s your project. We’ve spoken to them and, you know, they’ll release us... and it was all done in a very friendly manner.”

One of the interesting elements in this story is that Nally wasn’t involved in sport. He didn’t even watch sport to any significant degree. He was involved in media marketing, fascinated with how people communicate with each other through media, print, television and cinema. Peter West brought the sports



standing, the experience and the contacts. Nally describes Peter West as “an absolutely charming Englishman... he’s cricket, he’s rugby, he’s extraordinarily knowledgeable about sport.”

In setting up the company they deliberated on what their unique selling point would be and decided it was Peter West as the chairman. He was going to be the front man. He was appearing on the BBC and writing for the *Times newspaper*; Peter West was sport. So the complementary partnership was created and Nally’s proposition to West was:

“Why don’t we make sport a means of communication?”

At that time, sport was not a means of communication; sponsorship hardly existed. Companies were beginning to use sports stars in advertising but the active use of sport in a media campaign didn’t exist. They were aware that they were not just launching a new PR agency, they were launching a PR agency that was going to do something completely new. That was the differentiator, that was the vision – to use sports as a means of communication.

Their first major sponsorship programme was with the Green Shield Trading Stamp Company. The Green Shield brief consisted of two parts: the company (which, at that time, had a rather downmarket image) was trying to persuade local authorities of the need for signage on garage forecourts and outside retail outlets (otherwise the buying power of using the stamps to motivate was diminished) so they needed to create an image to appeal to local authorities. They also needed to appear more upmarket and show that Green Shield was contributing to the community.

They evaluated a number of sports and decided on tennis, which has an upmarket image. There were tennis courts and other facilities owned by local authorities that weren’t being used, so they created a programme that was attractive to the media and spread the message that they were seeking tennis champions of the future: every young child in the UK would

have the chance to pick up a tennis racket and learn the basics, courtesy of Green Shield. They used the relationships with local authorities to access the local community tennis facilities. The programme responded to the need for a relationship with the local authorities and the image desired by the client. The use of tennis as a means of communication to respond to Green Shield’s brief was the starting point for the agency.

However, there was an unusual and important additional element to the programme and the way the project was implemented. In those days the LTA was an amateur body that lacked organisational capabilities and, in order for the project to succeed, West Nally had to create an infrastructure. They had to learn how to access the tennis courts and the coaches. They then worked with the tennis authorities to bring Green Shield into youth tennis and to sponsor the Wimbledon youth championships. Nally remembers:

“We had these big Land Rovers with flashing lights and aeriels and the Green Shield news team rushing around with the tennis, which gave us all this sort of glamour and excitement.”

Because the LTA was an amateur sports body, they were pleasantly surprised that somebody was prepared to give them sponsorship funding (which was new at the time) but they didn’t have the resources or the organisational structure to respond effectively. West Nally put the infrastructure in place to execute the programme, as well as responding to the brief in the more traditional way. It was this ‘whole project’ approach that helped to differentiate West Nally and contributed to their growth.

The next stage in Nally’s development came when he joined forces with Horst Dassler, son of Adolf (Adi) Dassler, founder of the Adidas sports apparel empire.

“What Horst did was a little bit what Peter West did. He introduced me to another new aspect of sport. You know, I didn’t know what an international federation really was. I didn’t realise the potential... the scope, the opportunity that international



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federations obviously had in terms of my branding development opportunity.”

This partnership quickly blossomed, developing into a powerful force for change in the industry. In a recent article McMahon (2012) described Dassler and Nally in the following terms: “...the pair essentially invented sport sponsorship. Virtually everything that happened in the newly-formed industry over the next thirty years can be traced to Dassler and Nally.”

After their acrimonious split in 1982, both continued to be dominant influencers within sports sponsorship and promotion (although Horst Dassler died in 1987).

Challenges, practices and management

What do we mean by the terms ‘leadership’ and ‘management’? They are generally recognised terms that have a universal or commonly accepted meaning. However, before we go on to explore the remarkable leadership and management role of Patrick Nally in the sports industry, these terms warrant further explanation.

The term ‘leader’ is interpreted differently depending on context. Shackleton (1995) states that most definitions of the word ‘leadership’ include three components: influence (leaders are people who influence the actions of others); group (leadership is usually associated with influencing more than one person); and goal (leaders create a vision or objective). To lead can also mean to be in front, to break new ground or to be innovative: to be a leader in one’s field.

When asked what a ‘manager’ does, responses usually include one or more of four key activities first introduced as important elements of management by the leading French industrialist Henri Fayol in 1916: planning, organising, coordinating and controlling. However, a paper reprinted in the Harvard Business Review in 1990 and based on observational work by the renowned strategist Henry Mintzberg some years earlier describes a much more pragmatic series of activities. Instead of reflective, systematic planning, Mintzberg argues that managers are strongly oriented

towards action and work at an unrelenting pace, their activities characterised by brevity, variety and discontinuity (Mintzberg, 1990). This is reinforced by Mintzberg’s observation that managers focus on communication and strongly prefer both receiving and giving information through ‘soft’ verbal media, rather than through information systems, reports, or correspondence. Following this point he argues that the strategic data bank of the organisation is not in the memory of its computers but in the minds of its managers.

We will now investigate several key challenges confronted by Patrick Nally in the context of leadership and management and evaluate his contribution to the sports industry.

Challenge 1 International sports sponsorship

The first challenge to present itself was in a brief from Coca-Cola concerning a global sporting initiative involving corporate social responsibility (CSR). Nally created a programme for Coca-Cola based around a football education and development programme. During the early to mid 1970s there were approximately 75 members of FIFA, predominantly European and South American. The number of members now is close to 200, more than the membership of the United Nations (Murray, 1999). At that time neither Asia nor Africa were significant in football terms and America, Japan and Australia were in their football infancy.

In order to win the votes of the developing nations and become the new president of FIFA, Joao Havelange used all the power at his disposal to promise these countries a new era of football development. Because FIFA didn’t have the resources, Nally, together with Horst Dassler, found sporting educationalists in Germany where they created a development programme that would help Havelange deliver the promise he had made. They took the football knowledge of Europe and South America to Africa, Asia, the developing nations of America, Australia and Japan to teach them about football administration, education and medicine. The programme



was about teaching the teachers rather than building everything themselves.

To support this development and link it to the Coca-Cola brief, Nally and Dassler built promotional opportunities. These involved a very large sponsorship deal from Coca-Cola (including creating a world under 19 Coca-Cola Cup), teaching materials, and developing soccer skills that would be tailored to the needs of the recipient country. The first World Cup for players under 20 years of age was held in Tunisia in 1977. It has since been played in many parts of the world to the benefit of developing footballing nations.

Organisation within Coca-Cola was important too. Nally put together a huge communications programme based on sports development and took that into Asia and Africa, all of which fitted the brief from the Coca-Cola company. He then discovered that he had to go around the world with the Coca-Cola marketing director to convince the bottlers and regional companies within the group to put a central fund together because they didn't have a funding structure to commit to global marketing.

Nally had a dual role: helping a company to create a budget for global media opportunities through sport and working with an international federation (with a new president) with commitments to create international programmes that would enable football to grow in new and developing regions and would marry with the Coca-Cola company's new corporate vision.

"It took me probably two years of my life, you know, the amount of globetrotting that I had to do to work with the Coca-Cola company – to help restructure them to have the centralised fund and to create this project and to get FIFA to be able to bring these two things together took a long time."

Nally's influence continued to grow. As well as working with FIFA he was developing major programmes with the International Tennis Federation with the Davis Cup. At the 1976 IAAF Council Meeting in Puerto Rico an Athletics World Championships that would be separate from the Olympic Games was approved and Nally was involved in the inaugural event when the Council

awarded the competition to Helsinki (to take place in 1983 and be held in the Helsinki Olympic Stadium). Even at this early stage in his career he was also trying to start world rugby cups. Life was very busy.

Challenge 2 The World Cup

Patrick Nally had an important question for FIFA:

"What are we going to give Coca-Cola at the World Cup?" Because the World Cup is the pinnacle event and as they're our primary sponsors of the development programme for the youth players in the world game... When we get to the World Cup there's got to be some sort of relationship"

It was only at this stage that it dawned on Nally that FIFA had no control. They don't own the World Cup, they give it to nations to host and let them make the rules. The European Broadcast Union thought it was theirs to televise and that they could promote advertising around the stage. There were no rules or regulations. Further complications arose when Nally started asking questions about who has the pouring rights in the stadium; about who controls the logos; and posing the question of how Pepsi Cola could be prevented from running promotions, because West Nally had to look after the primary interest of their commitment to Coca-Cola. There weren't any forthcoming answers.

The 1978 World Cup had been awarded to Argentina and the hands depicted on the logo were those of President Peron. However, in 1976 there was a military coup and General Videla and the military Junta began running Argentina. Nally was dispatched to Argentina, with the backing of Joao Havelange and FIFA, to meet with the military Junta. He found this terrifying.

"One of the guys I was meeting was blown up in his bed the morning I arrived and I was rushed out of the country, back onto the next flight and told to come back later. It was very dramatic."



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But the military Junta wanted Argentina to host the World Cup and they were prepared to renegotiate to keep it. Nally wrote a plan detailing how the tournament should be staged and who owned what in terms of rights (including proprietary rights, TV rights, stadium advertising, pouring rights and licensing logos). This was all retrospective for Argentina because they had already won the event, but he had to get them to change.

Putting the politics aside, Nally felt that the situation allowed FIFA, with the support of the Coca-Cola company, to get a management control structure in place (albeit belatedly) and establish something that they had never realised they needed. For the first time there was an opportunity to regulate promotional activities and legislate for rights ownership for the future. West Nally's position moved from responding to briefs from potential clients to selling rights. Nally felt that he could bring other commercial companies into the 1978 Argentinan World Cup that would mitigate the cost.

He had started persuading major brands such as Philips, Canon and KLM to enter the project in a more significant way. In so doing he was moving towards the 'package' approach, which was the next phase in sports marketing development. The creation of the Coca-Cola/FIFA relationship and the ability to package a mega event with rules, regulations and contracts that had never existed before became the cornerstone of the industry as we understand it today. For the first time ever they had the format for how bigger events should be run, although Nally states:

"We got away with it because the military Junta didn't want me to encourage FIFA to take it away, so if the military Junta hadn't taken over, it probably would never have happened".

Challenge 3 Organic growth

Interviewed for this profile, Patrick Nally suggested that, looking back, one of the biggest challenges he faced was probably recruiting to his nascent company.

"Being of tender years and trying to recruit people into a completely new industry... was difficult."

Opportunities and demand for this innovative form of brand communication through sport was growing rapidly. Nally's response was to employ people he knew because he could rely on their ability and their loyalty. He also needed to employ older people to gain the experience and gravitas afforded by senior 'heavyweight' public relations people. This meant that he was managing people who, under normal circumstances, would be managing him.

"That was a real challenge, in that I had to manage people who were perhaps twenty or twenty-five years older than myself... people that were father figures."

Another difficulty he faced was dealing with very senior people within the British Broadcasting Corporation (BBC) and sports federations and associations. Patrick recalls that they tended to be retired farmers or judges, people who probably didn't expect 'a spotty kid' to try to explain to them what they should be doing with their sports. In Nally's view this is where communication and leadership merge.

"If you're not a good communicator, I don't think you can be a good leader. If you're leading from the front, you have to have the ability to communicate."

In this respect he was influenced by his mother and father. Through them his early exposure to journalism, public relations and communication was clearly advantageous.



"If I was going to lead the way to get sports bodies to be supportive of us, if I was going to get older, more experienced heads to come and join us as part of this crusade, then I think the ability to communicate was a very key aspect of that leadership."

Nally felt he had to show maturity by not just expecting people to react to him because he was 'the boss'. Consequently he spent a significant amount of time thinking about the best ways to communicate. He would never go to a meeting unprepared; he may not have written a speech or formal presentation but he would certainly have a clear, bullet-pointed thought process laid out to ensure that he was comfortable, with a consistent argument or perspective fresh in his mind. Nally argues that being a good communicator isn't just luck, you have to work at it and he feels that his approach has served him well. He managed to communicate to older people and to motivate people, whatever their age, to get behind projects. He argues the need for flexibility.

"If you're not getting there you've got to change your approach to find a way. You've got to be intuitive... Leadership is about listening more than it is about telling."

Challenge 4 The future

Patrick Nally believes that the sports sponsorship industry has got to become more professional. It must take responsibility for educational standards and rethink what it has been doing.

"Consider the fact that mega events are under scrutiny, what's happened in Brazil recently with Brazil 'growing up' and Brazilians for the first time in their lives beginning to realise they have a voice through social media..."

It will become the norm, like the people of Brazil questioning whether resources should go into the World Cup and the Olympics or whether they should

go into education and medicine, reviewing the whole idea of the legacy of the Olympics.

Nally is now working with UNESCO, various governments, international federations, Coca-Cola and other big sponsors. He believes there is a need for all stakeholders to rethink some of their fundamental positions, stating that things will not improve unless there is a dialogue between all stakeholders.

"This industry has become a fantastic industry, beyond all recognition... sports, mega events, governments, corporate sponsors, corporate social responsibility, education – it all has to come together... Is Platini's desire to take the European Football Championships to lots of cities a stupid idea because he didn't have a nation to host it, or is it a good idea because it actually... reduces many of the other complex issues? Where is the forum that will allow for these things to be debated?"

Conclusion

One of Patrick Nally's defining contributions to the sports industry was to shape the modern industry by pioneering a new relationship with international companies, offering exclusive, off-the-shelf rights packages to the world's most prestigious sports competitions, on behalf of the world's leading sports federations.

Sport, the industry and the technology all progress and there is a need to embrace change. Nally is positive about the future, but he cautions:

"The industry needs to galvanise and there needs to be the ability and the forums for people to get all stakeholders to debate and discuss so that this thing can move forward in a very, very positive, meaningful way."

Considering the earlier definition of leadership and management, Patrick Nally excelled in the visionary attributes that identified new opportunities within



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sports marketing and the international and global scope of what could be achieved. He also had the management capability to turn these visions into reality through organisational infrastructures that support the implementation of his visionary projects. He believes in communication as being the foundation upon which all successful business is built. External communication is important, to engage the potential consumer with a brand message consistent with the image of the company, and internal communication is important, especially between key stakeholders in a project that is under way, whether that be between Coca-Cola and FIFA or the UK Lawn Tennis Association and local communities.

As a leader and a manager Patrick Nally's strengths lie in: seeing and creating opportunities; innovating communication through sports; developing synergy through partners; and creating sustainable organisational structures to successfully achieve goals

It is for these reasons that his contribution to the sports industry has been so remarkable.

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