Annex 40

### Report of the Public Relations and Marketing Director

To the General Assembly, Dresden, November 2008

The report reviews the process and results of its work from the appointment of the Director until the end of 2008 October also covers the pojects recommended by the Directorate for 2009 and beyond.

#### Main achievements of the Directorate

Due to its wide-ranging activities, the PRM Directorate could provide support to FIDE in several fields and below I summarize the main results of its work:

- □ The reputation of FIDE has been significantly increased in the media, among the chess fans and in the general audience,
- □ FIDE's decisions have been communicated in a more consistent manner, with more convincing force and also by revealing the background reasons of the decisions which provided better understanding for and acceptance by the stakeholders and the general audience
- □ Chess (chess events and star chess players) and FIDE regularly appear positively on the pages of the world's leading newspapers and magazines (New York Times, International Herald Tribune, Time Magazine, Le Monde, The New Yorker, etc.) which previously published mainly negative articles or neglected FIDE at all
- □ The better communication with the media, the renewed FIDE website, the newly introduced FIDE Newsletter, the improved coverage of several crucial chess events have created a more solid basis for FIDE and Global Chess to approach sponsors
- □ FIDE position has strengthened in the international sport associations (which is mainly due to the activities of President Ilyumzhinov and the work of the FIDE Secretariat but the PRM Directorate also participated in some actions)
- □ Due to the consistent and systematic work of the Directorate, new vistas, new opportunities are opening up for promoting chess and FIDE in Television Networks, in publications and publicity affairs

# *Initial steps and concepts*

After the nomination of P. Rajcsanyi by the President to the position of Public Relations and Marketing Director and his acceptance by the FIDE General Assembly in the Turin Congress, the Director elaborated <u>a program</u>, including a concept and a working schedule, for the marketing and public relations activities of FIDE. This concept was reviewed and thoroughly discussed in the PB meeting at Elista, September 22-23, 2006. The PB accepted the program with several modifications, also established the status of the PRM Directorate and clarified the status of the Director (permanent invitee to the PB and EC meetings without voting right). It determined that the PRM Director's task are, first of all, of management nature and are a part of FIDE management activities, that it is entitled to a budget including honorary fees (stipend) to the Director, assistant and fees to be paid for assingment works to outside experts, that no separate office should be established in Budapest at the beginning, that no special PRM Commission should be created but is should cooperate with the existing commissions and that it should focus more on public relations than on marketing, although it will be a part of the supervision of FIDE marketing made through and by Global Chess and by itself it could, however, initiate marketing relations, contracts, etc. The most significant change in the

concept has been connected with the creation of Global Chess which became "the commercial arm" of FIDE, thereby reducing the Directorate to a kind of supervisory and supporting role in the field of marketing.

I also have to mention that during the initial phase of setting up the Directorate schedule, the FIDE President decided for establishing (or re-establishing) a FIDE office in Lausanne, Switzerland. One of the reasons and ideas was to move the PRM Directorate to Lausanne in order to promote FIDE relations directly with IOC officials, strengthen and broaden the contacts between FIDE and IOC, including key personalities frequently visiting or based in Lausanne and to reach journalists, media persons from there. The PRM Director participated in the visits of FIDE to IOC, met and established relations with IOC public relations department and its head (which is a working relationship ever since that time), visited the future office, discussed the issue with his personal friends serving in IOC, etc. Finally, it became clear that neither the President, nor FIDE could finance the normal operation of a public relations directorate in Lausanne that time and thus, the move did not take place. The decision of moving the PRM Directorate to Lausanne has been postponed.

#### The main activities of the PRM Directorate

In accordance with the approved concept, the **activities of the Directorate** includes the following tasks:

- establishing and broadening public relations for FIDE (network-building, database-building),
- supporting FIDE management in public activities whenever they require it
- improve FIDE public performance by better communication to the general public, to the chess community and to the network of international sport organizations
  - o preparing press releases of the PB, EC and GA meetings
  - o communicating with the media on significant issues related to FIDE (e.g. Topalov case, Fischer's death, new WCCh system, etc.)
  - o improving and supervising the FIDE website
  - o participating in conferences and other events organized for and by the media on sport activities and their broadcasting
  - o organizing media events
  - o establishing permanent communications channels to the chess world and interested stakeholders
- promoting FIDE and its President through media channels
- participating or/and organizing publicity events
- carry out PR opinion polls on significant FIDE-related issues

Thus, after the establishment of Global Chess, the main field of activities for the PRM Directorate turned out to be **public relations** which did not have any antecendents in FIDE. In addition to the main field, there have been many temporary tasks to cope with whose successful outcome have been very significant for FIDE and proved to be rather time-consuming and required substantial preparations as well as analytical work. The regular task of drafting and publishing **press releases** of PB, EC and GA meetings has been done.

From among these tasks, the most significant were the **negotiations on several contracts with Global Chess** which covered the main activities of Global Chess as well as the maintenance and handling of the FIDE website.

The Directorate commenced a **research study on the FIDE website** by outside experts. The research paper analyzed the construction and operating conditions of the Fide website, pinpointed its weaknesses and strengths, provided several recommendations and it has in many ways served as the basis for the technical part of the negotiations with Global Chess on its assignment to the maintenance and operation of the FIDE website. On the President's request, the Director himself took more part in supervising the website during the transition period.

The participation in different, specialized conferences, events on public relations and marketing can contribute to the network-building for FIDE. Unfortunately, most of these events have substantial cost involvement. Nevertheless, the Director participated in four events, two of which proved to be significant. In the 1st Chess Marketing Seminar, organized with the support of the ECU and the Greek Chess Federation, there was a good chance to compare successful and not so successful efforts of different organizers for attracting sponsorship and promoting chess and chess events via public relations techniques. Both the PMR Director and Vice President Yazici had adressed the participants in the seminar. The Sportel Conferences in Monaco brought together the representatives of the most significant television companies, some other media organizations, international and national sport organizations. Taken into consideration that TV broadcasting has been providing about 40 percent of the media-related income of the international sport organizations, the relationship building is very important for FIDE, too. It became clear from the meetings, discussions I had during the recent event, that the TV station editors and companies are not against of involving chess in the broadcasting if it fulfills three requirements: its should be spectacular in one way or another; it should be finished within the established time frame; it should be appropriate for absorbing commercials during the broadcasting. The relations I had established during the event should be cultivated in the future, too. You may look at the project suggested by the Directorate at the end of the Annex.

The Directorate cultivates **relationship management with media people**. However, it takes a lot of time (exchange of letters, sending good wishes, participating in the same events organized by a third party, invitations to lunches, dinners, cafes or coctails, reaction to actions of the partner in a phone call or in a message sent to him/her,etc) and thus requires assistance (keeping track record, writing letters and organizing things) and financial background, too. The appropriate conditions have not been available for the Directorate to pursue these contacts with such energy and consistency as it would have been necessary. Nevertheless, these relations are significant and may be utilized for the interest of FIDE and chess.

So far, mainly the personal relations of the PRM Director have been utilized to persuade media organizations to deal with FIDE beyond the regular way of attending and reporting chess tournaments. We have been looking for interviews, articles, TV broadcasting which deal with FIDE, the President, etc. Among the not-so-numerous options that have been realized through the personal contacts, I want to emphasize several results. One of the most significant achievement is a 60-minute **TV- documentary made by Al-Jazeera**, the leading TV company in the Middle-East region on FIDE, Kalmykia and Mr. Ilyumzhinov. It was achieved through the contacts with the London-based office and was done by the Moscow office staff. The documentary in full and in shortened versions had been televised throughout the Mid-East, in more than 15 countries and certainly contributed to the popularity of chess and the growing reputation of FIDE in the region. Another achievement is a full-page

illustrated interview with President Ilyumzhinov on the world championship cycle, chess-inschool and some other issues. The interview was published in the leading Hungarianlanguage newspaper Magyar Szó (the most significant newspaper for the 3 million Hungarian people leaving outside of Hungary in the Central European region) during the Christmas – New Year period when the circulation of the newspaper is the highest during the year. References and excerpts of the article appeared also in leading sport journals of Bosnia-Hercegovina, Croatia and Bavaria (Germany). A shortened version of the interview was published in the official, leading Serbian newspaper Politika in January 2008. The Time Magazine dealt with the chess part of the World Mind Sports Games in an article after many consultations and it was published on the opening day of the Beijing Olympic Games. The New York Times interviewed Magnus Carlsen and the new woman world champion Alexandra Kosteniuk by the cooperation with the PRM Director. These articles were also published in the **International Herald Tribune**. I just emphasize these achievements first of all because of the nature of the journals: they are not the regular sport journals that deal with chess among many other sports. They are "general" papers or TV broadcasting where chess so far had almost no appearance and the audience of which is much more numerous and influential than that of the chess newspapers.

In many other cases, the PRM Director or sometimes directly the President himself (if the news people wanted to get his words) or other officials were interviewed or cited in newspaper columns, short news on significant FIDE-related chess event like the World Chess Championship in Mexico City, the Candidate Matches in Elista, the Topalov-Kramnik match, the Anand-Kramnik match or on the death of Bobby Fischer. Just alone in the latest case, the PRM Director had got more than 40 phone calls within 24 hours after the New York Times published the announcement of Fischer's death which required the confimation or the views of FIDE or just data of Bobby Fischer's life and chess performances. The CNN, the ABC News, BBC News, Duna TV and ZDF TV channels had briefly consulted on the phone with the PRM Director before their newsbreak came out on the air. A leading American magazine, Newsweek decided on the recommendation of the PRM Director to run a whole article on Bobby Fischer instead of a news brief and have discussed the content of the article several times with me. I had made the same recommendation to the New Yorker, another leading magazine in the USA (especially in the New England area and among the financial people), which devoted a five-page article to the young Fischer some 50 years ago. Although the editor accepted the suggestion but the journal was unable to schedule the issue for the immediate publication as it was already in the printing house. Later, the French chess journal Europe Echecs diuscussed with me the idea and structure of the publication entirely devoted to Fischer. Naturally, President Ilyumzhinov had been interviewed or his words were cited whenever he visited tournaments but these events were organized by his staff or his personal adviser, Mr. Balgabayev.

The Directorate has established and is broadening **cooperation with Internet websites** that are engaged in chess like Chessbase, Chessdom, Chessresults, ChessNinja, etc. The relationship proved to be very efficient with Chessbase and Chessdom especially during the Women's World Chess Championship that promoted not only the Championship but also the selected location, Nalchik and its republic throughout the world.

Important opportunities of cultivating relationships and at the same time of discussing issues relevant to chess and FIDE could be **media workshops** where influential media people, experts are invited by the PRM Directorate. Such an event had been recommended for 2007 which was, however, not supported by the PB because of financial reasons. Another event was recommended to be held in April 2008. This time the FIDE PB agreed with the proposal but it could not be financed from FIDE budget. A version of this is suggested by the CHIPS

Committee for chess journalists that I support. The cooperation with the **CHIPS Committee** is working well, the Committee got its budget from the budget of the PMR Directorate, its website has been launched, the list of the Federation's press officers will be completed, we are establishing new procedure for the Oscar award, etc. This arrangement gives an efficient work system possible in which the Committee is working within the FIDE framework with the federations, the chess journalists and the PRM Directorate can coordinate this work with the outside media relations and also bring fresh impetus to the Committee.

A built-in element and a kind of preliminary requirement of the relationship management is the information of the media world. Thus, the Directorate started collect information on the key media organizations and media people. The assistant in the Directorate has been building a database. From that investigation work and also from the different consultations with media people, it became obvious that they are also looking for data from the chess world: pictures and stories. Thus, the Directorate initiated the collection of pictures (picture database) which includes pictures of players, events, etc from the past and from contemporary events. There are, however, some problems with this: usually, the photos taken from other publications, Internet-reports are connected with copyrights, sometimes with fees (even if it is not specificly stated), it is very difficult to find high-resolution photos which may be needed for publications, you have to hunt for old photos in very different places, etc. But FIDE cannot afford not to build a picture database and should use it in the media relations. The picture database should be expanded to include videos from different tournaments, interviews, etc. These videos cannot, however, be downloaded from the Internet because they are streaming videos and the copyright issue is even more important here. This problem should be solved somehow. The other element which has a kind of attraction for the media is the stories from the chess world. These stories can be very different, starting from the toiletgate through the girl-friend of Aronian through the new baby of Judit Polgar to Carlsen playing tennis with his opponents. But these stories must be discovered, collected, documented, checked and stored by the Directorate. This is a task that is clearly beyond the present capacities of the Directorate. During a tournament (e.g. the Candidate Matches) in which the Director served as the press officer, there were chances to do that task and also to publish some stories and call the attention of the media people to some "specialities" which later appeared in their reports. But many other opportunities had been missed or used by media sources outside FIDE. We should create proper conditions for utilizing such opportunities, too.

From January 2008, the Directorate started to publish **FIDE Newsletter** which is scheduled to be an electronically distributed publication. The Newsletter quickly became very popular and it can be a great step forward in FIDE communication with the chess world or at least with some segments of that field. Advertising its subscription (only) on FIDE website, we got more than 3000 subscribers and the number has been growing by another 20-30 new subscriptions every week. The Newsletter is also sent to the journalists in the database as well as to FIDE PB and Executive Board members, and to the public relations sections of several international sport organizations. Among the subscribers, we could identify dozens of top players (among the first 300 in the rating list), several co-workers of national chess federations, some journalists (among them P. Doggers, L. Garcia, O. Alcantara, Frederic Friedel) but most of the subscribers did not sent data by which they could be securely identified. More than fifty percent of the subscribers submitted only e-mail address and name or nickname. About 5 percent of the potential subscribers gave wrong e-mail addresses (or made mistakes) so the delivery was rejected. It is also clear that journalists (even chess journalists) do not regularly visit FIDE website as they did not send subscription request via FIDE template (but some of them sent me an electronic letter). The Directorate have got several reactions regarding the Newsletter and three Internet sites have also commented the appearance of the Newsletter. There were two critical remarks: we should apply BCC (blind carbon copy) which does not reveal the addresses of the group members to other members of the group and that we should create a chance of unsubscription. Both issues were solved after the 2nd issue of the Newsletter. We have also got and are receiving several remarks of appreciation ("it is high-time for FIDE to make such a service"; "well-done"; "interesting option", "truly enjoy it", keep-on going", "be very timely").

All in all, the **Newsletter service can be called a success** and it can be a good step and experience toward a future FIDE Magazine. However, there are some open issues that should be checked and decided upon in the near future. One of the most crucial issues is the content of the Newsletter: what is really interesting to the audience (taken into consideration the diverse nature of the audience); there are no significant FIDE news available in appropriate number; we do not get reports or summaries from the President's visits and negotiations from which the Newsletter could publish excerpts; we do not get written reports from other talks FIDE officials have in respect to forthcoming events; no specialized photo reports of FIDE origin on tournaments, etc. FIDE Newsletter can only be valuable to the audience if it provides information interesting to the audience and valuable to the media. If we do not feed the media, someone else will feed them.

The Newsletter could have been a **source of income** for the Directorate: several organizers indicated that they would like to advertise events and results in the Newsletter. But now, the FIDE website publishes those freely.

Conditions of Financing and Operation

The approved budget for 2007 has allowed the **minimal level operation** for the PRM Directorate while the small proportionate budget in 2006 made the purchase of the most necessary equipments possible.

The Director and the assistant are working in part-time (as they have main jobs) while the tasks are growing in volume and number. The equipments are placed in an office that is lended to the PRM Directorate without any fee by my main employer, an American real estate development firm. This is also the FIDE-related working place for the Director and the assistant. The Directorate does not pay for the international, local and mobile phone calls, for the electricity/heating and cleaning, etc. We also use feeless the copier, the meeting room, secretarial service, some other equipments and facilities. This may change in 2009 because of the taxation changes in Hungary.

About 88 % of the approved budget has been spent and **12% has been saved** in 2007. From the savings, 5000 euros (**7.5%**) are transferred to the CHIPS Committee as their 2008 budget. From the budget, 19,5 % has been used for travel purposes including PB meetings, etc, some 21,2% were paid as taxes to the authorities, about 27% covered the Director's fee and 12% covered the assistant's fee, some 5,3% are related to press relations and study, while the rest (3%) is administration costs.

The budget request for the Media Workshop is declined as indicated earlier.

Achievements and tasks to be done in the future

As the result of the Public Relations and Marketing Directorate's activity

- the communication of FIDE decisions and intentions has been better and faster

- there is a bigger transparency of the decisions to the outside world (which was long requested)
- there is a beginning of relationship management in the FIDE media relations
- the first elements of publicity appear in FIDE activities
- FIDE management is much less critized and in a less harsher way than ever before

There are several steps that the PRM Directorate should make in the forthcoming months and then continue at a quality level:

- initiate new projects which broaden the available media platforms for FIDE and chess
- commence and run a Public Relations SWOT analysis
- make PR opinion polls
- organize and/or contribute to publicity events which enhance FIDE presence
- maintain systematic consumer/sponsor communication
- ensure better communication with Global Chess and the Development Department in order to build actions around Public Relations concepts (e.g. in the case of the Grand Prix the coordination was lousy and no PR opportunity was utilized)
- promote the solution of unsettled FIDE legal issues as they hinder the PR activities
- utilize the FIDE tourrnaments press officer position for PR work and better relations with the top players
- to work on all possible effective communication channels in a coordinated way

#### 1. Project for Television Broadcasting

It is clear that for sport associations like IOC, FIFA, etc. the largest attention for any event can be achieved if high level and broad area TV stations cover the event regularly. It is also clear that the highest portion of income for the sport associations come from the TV stations and the related advertisement. So far, FIDE could not achieve that the leading TV stations would introduce chess into their regular schedule and broadcasting. There are some occasions when (mainly local or national) TV stations cover a part of an important chess tournament in the evening (or rather late evening) sport news section or by an interview with one of the leading players but there is no one TV stations which has put chess tournaments into its regular broadcasting. However, nowadays there are TV stations that cover broad areas, many times even a whole continent, and are engaged in sports. In the USA, there are TV stations like ESPN, NBC Sport channel, etc., in Europe there is Eurosport and its affiliations like Sport1, in Africa there is also one TV company from South Africa which is able to cover the whole continent. Both in Russia and China, the central government TV stations cover the whole country.

In a systematic work, FIDE PR and Marketing Directorate can build agreements with those TV stations and also with some national TV stations to devote time in their broadcasting to chess. I have already established relations with some of the chief editors or key persons in several TV companies and such relations can be developed to full-scale negotiations. I have had discussions with several content provider or content developer firms which can be useful for the project as they have experience and permenant contract with some TV networks. It also requires a well-elaborated system from FIDE by which a chess game becomes enjoyable and entertaining (good commentator, special sensor boards, quick editing of the games, etc.) that is essential for negotiating with the TV stations. We have to produce exemplary DVDs for the TV companies and content developers as a starting point from which the negotiations can start for the broadcasting agreements.

The main goal of the project plan is that by the next Congress in 2010 (gradually), several TV stations commit themselves to introduce chess into their broadcasting program and in that way become general sponsors for FIDE for an Olympiad cycle.

#### 2. Media Procedure

The plan is to establish a standard procedure that should be used in every high level FIDE tournament (World Championships, Grand Prix series, World Cup, etc.) in preparing and implementing the work with media by FIDE. The standard procedure covers the preparation (including the preliminary announcement of the event to the media, nomination of Press Officer, accreditation, establishment of the event Internet site, cooperation with other websites and event organizers, etc.), the actual work of the Press Center during the tournament (press conferences, bulletin,TV coverage, interviews, etc.), and the aftermath phase (report, lessons, acknowledgement to journalists, etc.).

The complete documentary will have not only the procedure descriptions but also exemplary papers for accreditation sheets, press announcements, etc.

## 3. FIDE History

In 2009, FIDE will have the 95<sup>th</sup> anniversary of its establishment and in 2010, we will have new elections in the Congress. These are good opportunities to come forward with a book of FIDE History written and edited by the PR Director and published by one of the leading publishing houses in the world.

FIDE is probably the only international sport association that does not have a book of its history. However, it can be very important for contributing to the reputation of the organization, to increase its pride in the eyes of the audience and the chess players, etc. It is not an easy task to write FIDE history. Even those who had been involved in doing a part of FIDE history like e.g. Hon. President Florencio Campomanes, have been struggling with the task for years. One of the problems is that the historic documentation is incomplete and spread in different places (the Hague, Elista, Moscow, some national federations, Athens, etc.), have not been collected or are written in the newspapers of the time of the different events like Congresses, etc. Thus, we write not only a synopsis for the book but we have to set up a small group of researchers (university students, journalists) who go into the libraries and dig out the past, make interviews-discussions with those who have been involved in FIDE matters and may know a lot of those (J. Averbah, B. Spassky, A. Filipowicz, F. Campomanes, etc.).

In my judgement, the FIDE History book would be a real sensation on the market and the budget needed for it can be reduced if the book is published by an international book house which can cover the author royalty and the distribution.

The project will be presented to the Presidential Board for approval as a separate item for the PR and Marketing Directorate.

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