

The America's Cup 2007: The Nexus of Media, Sport and Big Business

A thesis submitted in fulfilment
of the requirements for the Degree of
Master of Arts in Mass Communication

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2009

ABSTRACT

Over the past twenty years, the America's Cup has grown into a significant media event in the New Zealand public sphere. This thesis focused on the New Zealand print media coverage of the 2007 regatta in Spain, analysing how different newspapers framed their coverage of the event, before interviewing the journalists who provided the stories to understand the constraints under which they worked. The analysis recorded and coded all stories relating to the America's Cup in four of New Zealand's daily metropolitan newspapers between April 2, 2007 and July 15, 2007.

This thesis found that although the America's Cup had shifted from between a competition between nations as the role of big-business increased, the New Zealand print media continued to focus on Emirates Team New Zealand, even though a significant number of New Zealanders were competing for foreign-based entries. The role of big businesses, including the New Zealand Government, went largely unreported in the New Zealand print media. Interviews with the journalists would suggest that their main role in Valencia was to report the racing, with limited time outside of this to report on other aspects of the event.

1. INTRODUCTION

Over the past 25 years, the America's Cup (AC) has gone from near obscurity in New Zealand, to an event that commands the nation's attention. Little was known of the event in New Zealand prior to 1987, but when well-known businessman Michael (later Sir Michael) Fay became involved in establishing a New Zealand-based AC syndicate, he built a campaign on the promises of what involvement in such an event could bring a small country such as New Zealand.

On its fourth attempt, New Zealand was successful at winning the AC when 'Black Magic' sailed to victory in San Diego. Michael Fay was no longer the head of the team, Peter Blake having replaced him. Like Fay, Blake was an established figure in the New Zealand public sphere. The victory meant the following campaign was to be held in Auckland in 2000.

To this stage, the team and its sponsors had remained for the most part New Zealand-based. When Black Magic won in 1995, three of its naming rights sponsors, including TVNZ, were State-owned enterprises. Without the sponsorship deal offered by TVNZ, New Zealand's foray into AC sailing may not have lasted until 1995.

The next two campaigns in Auckland created an economic windfall for New Zealand, and in particular Auckland, with the event doing much to rise the profile of the country. However, when New Zealand was beaten 5-0 in 2003 at the hands of Swiss boat, Alinghi which was carrying a number of Kiwis on board, the realisation began to dawn that a New Zealand entry in the AC may no longer be such a viable option.

Over the period in which New Zealand had been involved in AC racing, much had changed in the way that the event was run with big business and the media playing an ever-expanding role. With Alinghi boss Ernesto Bertarelli heralding widespread changes to the way the AC operated following his syndicate's 2003 victory, the event had little semblance to the one that Fay had set out to bring to New Zealand in 1987.

Throughout this period and the changes that had taken place, one constant had been the framing of Team New Zealand as a national New Zealand team. Although sponsors and crewmembers had come and gone, Team New Zealand continued to be framed as the same syndicate, sailing for the nation.

Few New Zealand businesses had the budgets to assist a New Zealand bid to race in Valencia in 2007, forcing the Government, to the surprise of many, to assist Emirates Team New Zealand financially. Many questioned the move, as the event was no longer national in focus, and the amount of money the Government was willing to put into a venture in which New Zealand success could not be guaranteed.

Considering the involvement of the Government and the fact that the AC had been framed as an event of national significance, limited research has been undertaken into the validity of the Government and how New Zealand media have portrayed Team New Zealand.

This thesis argues that throughout the changes in the AC has post-2003, the New Zealand media continued to frame it as a competition between teams associated with nations. It will also argue that although, the public were told to look at the AC as much more than just a sports event, the New Zealand metropolitan dailies continued to frame the event primarily as sports event.

This researched analysed the New Zealand print media coverage of the 2007 AC and determine how the media framed the event in the face of significant changes in the organization of the AC and in the nature of the event itself. By selecting New Zealand's four metropolitan dailies, this thesis sought to determine how different newspapers framed the AC and if the amount and nature of the coverage varied between regional centres. Particular attention was given to the coverage away from the racing itself, and of the Government and other sponsors in Valencia.

Through content analysis, this thesis aimed to determine if the New Zealand media coverage of the AC reflected the changes that had taken place in the event, in particular the move away from the nationality of the teams being a key factor in the AC, with the event being less about nation versus nation. With so many New

Zealanders sailing for foreign teams, the content analysis examined if the media focused solely on Emirates Team New Zealand.

The first chapter is a review of relevant literature and the theories that were used in developing the argument underlining this thesis. The main focus of the literature relates to sport-media theory and sport-business theory.

To properly understand what was happening in Valencia, it is important to be familiar with the history of the AC, and why the New Zealand Government felt it so important to be represented in Valencia. Chapter 2 is set out in three parts. The first outlines the development of the AC, prior to New Zealand involvement. The second focuses on New Zealand's role in the event, prior to 2007, explaining how the event came to be a media event in the New Zealand public sphere. The third outlines the 2007 event and the structure put in place to see New Zealand represented in Valencia, and discusses what made this event so different to those before it.

The results chapter is a recording of the findings of the quantitative analysis undertaken on the AC coverage in four of New Zealand's daily newspapers. The first part of the chapter will discuss the methodology used in the content analysis, while the second part of the chapter will discuss patterns that have emerged from the analysis and the reasons behind the different newspapers' reporting of the AC.

The final part of this thesis is a correlation of a number of interviews with journalists who worked in Valencia on the AC, mainly for the newspapers analysed earlier in this thesis. The interviewees were mainly questioned about their roles in Valencia and constraints that they worked under.

2. LITERATURE REVIEW

‘The relationship between sport and the media has become the commercial and cultural connection for both industries at the beginning of the twenty-first century. The media has transformed sport from an amateur pursuit into a hyper-commercialised industry, while sport has delivered massive audiences and advertising revenues to the media. The coverage of sport on television in particular has created a product to be consumed by audiences, sold by clubs and leagues, bought and sold by media organizations and manipulated by advertisers’ (Nicholson, 2007: 10).

2.1.1 INTRODUCTION

Sport, the media and big business have developed together, each benefiting from the development of the other two. Jackson et al (2005: 2) write that we cannot ignore the ever-growing importance of sport and the cultural values and ideologies it creates, as they are integral to naturalising and reproducing dominant notions of competition, global capitalism and gender order. Mediated sport plays an integral role in reproducing power relations that shape our various social identities (Rowe 2004: 3). In the early stages of mass media development, sport results assisted in the selling of newspapers, while the introduction of sports commentary to the radio further strengthened the link between sport and the media. Following World War 2, television also used sport to entice audiences. As television developed in the homes of the middle-class throughout the western world, sports, sports clubs and sports tournaments have benefited greatly by the exposure television can offer. The mass exposure some sports receive in the media make them attractive sponsorship options for businesses. Whether it be sports competitions that take place over a number of months every year, or ‘mega’ events such as the Olympics that often last for not much longer than a month, television has greatly influenced the direction of sport from an amateur pastime to one of the world’s most lucrative forms of business.

This study draws on the work of scholars from Australia, Great Britain and the United States, particularly those works that were written in the last decade. The sport, business media nexus is ever-developing and changing as fast as technology will

allow. Many studies more than 15 years old are out of date. The sport-media relationship has developed differently in different markets with the role of each holding different resonance in each of the markets it encounters. Indeed, the way that different sporting competitions, teams and athletes are conveyed also varies greatly between markets, meaning the research conducted in the sports media field can also differ markedly between countries. To this end, this thesis has not been limited in the case studies and theories it has drawn upon to develop its argument. For example, in New Zealand alone, a number of studies have been conducted on the role of rugby in New Zealand in the professional era, with a number of theories and ideas (Perry, Horrocks) put forward in the studies holding relevance to this particular study. However, these studies alone cannot explain how another sporting endeavour, the AC, has also come to play an important role in New Zealand society.

The scholarly articles that have been written in relation to the New Zealand AC experience will be outlined in the first part of this chapter, along with how they relate to this thesis. The second part of the chapter will focus on international perspectives of the sport, media and big business relationship and the relevance these perspectives hold in the context of this thesis. Within the sport, media and big business nexus, individual relationships have also developed between each of the three. With this in mind, each of the individual relationships that exist within the nexus will be outlined before summarising how all three have become inter-dependant over the course of the last century.

There are a number of previous scholarly articles pertaining specifically to the AC. However, few concern this study as most have approached the AC from a different angle. Following the 1987 regatta in Fremantle, a number of studies pertaining to the effects of hosting a large-scale event were published (Hall, 1989). A number of studies concerning the engineering behind an AC have also been undertaken (Richards, Johnson and Stanton, 2001). Numerous books relating to the history of the AC (Back to Back Black Magic, The Story of the AC 1851- 2007, The Team New Zealand story: 1995-2003) have been published with some focusing on a particular campaign or yacht while others provide more of an overview of the AC since its inception. In particular, this study uses the work of yachting historian Rudolf Rayner (2007) whose work contains reference to all AC regattas up to 2004. For a more local

perspective and to better understand New Zealand's involvement in the Cup from 1987 onwards, this thesis has used the work of authors whose main focus is on the New Zealand involvement in the AC, in particular Becht (2002), Wilkins (2000) and Sefton (1987).

The AC has gone from relative obscurity in the public sphere to the position it holds now as arguably one of the most publicised sporting events in New Zealand. The state-owned television broadcaster TVNZ has sponsored New Zealand entries in the AC and the New Zealand Government has directly funded it, yet research into why the public broadcaster places so much emphasis on broadcasting the AC; why the Government so readily funds AC campaigns; and how the AC is framed in the print media has been largely ignored in scholarly works. This thesis addresses these issues. During the course of this research, only one other study was found that was along the same lines as this thesis. Submitted in 2005, Evans' MA thesis focuses on how the political environment that was prevalent in New Zealand in the 1980s created a setting for the AC to become part of the New Zealand identity. Evans (2005) argues that the AC was used as an instrument by the Government to conceal the issues that were affecting the country, namely an economic recession. Evans argues that the Government gave its support to the expensive venture of entering an AC campaign during a period of economic hardship in an attempt to boost not only consumer confidence, but also that of a nation. An area of Evans' paper that holds particular relevance to this thesis are his work relating to the commercialisation of TVNZ in the face of challenges from new television networks which began to emerge in the early 1990s. This paper takes into consideration the work of Evans, and uses it as a reference point for understanding some of the earlier Team New Zealand campaigns, but as this thesis' main area of interest is the 2007 campaign, Evans' thesis is used as little more than a useful point of reference.

Another point of reference used throughout this thesis is Perry and Horrocks' *Television in New Zealand: Programming the Nation* (2004). The AC receives mention in relation to a number of issues put forward in the book. Perry stresses the importance of sport to New Zealand as a whole, which is exemplified by sport being the catalyst for new media technologies that are developed (Perry, 2004: 291). Perry also compares the roles of rugby and the AC in New Zealand society writing how

rugby already has a guaranteed television audience, but until recently was an amateur sport with few corporate ties. On the other hand, the AC has always been perceived as a wealthy person's sport with substantial corporate ties, but until recently lacked interest as a sport on television (Perry: 301).

2.1.2 SPORT AND THE MEDIA

This thesis focuses on New Zealand daily newspaper coverage of the AC. To understand why sport and the media have become integral to the success of each other, it is first important to understand the environment in which they developed. McChesney (1989) and Goldlust (1987) discuss how the media-sport nexus developed on the back of the printed press and radio coverage of sports that enjoyed high participation and spectatorship amongst the middle-class in the late nineteenth and early twentieth centuries. Andrews (2004) and Forster and Pope (2004) look at more recent developments of the sport-media nexus such as the development of sports organisations in line with post-World War 2 capitalism and expanding media forms. This thesis takes into account the history of the media-sport nexus, and analyses how the AC differs from the theories put forward by McChesney and Goldlust, by developing from the top-down rather than the bottom-up. The traditional pattern set forward by McChesney and Goldlust sees sports that have a high participation rate in the middle-class as those likely to attract the attention of the media, whilst this thesis outlines how the AC has gone against this by attracting the attention of middle-class as a by-product of the attention it first received in the media.

Different forms of the media have been able to use sport to their advantage for financial gain. Over the years, sport's coverage has proved to be beneficial to print media, radio and television. It was in United States and Great Britain that sport first began to receive attention from the media (McChesney: 50). McChesney, writing specifically about the media-sport relationship in the United States, believes that the relationship began in the 1830s and 1840s during a period that first saw newspapers printed for mass consumption (*Ibid.*). In the latter half of the nineteenth century, the United States and Great Britain, cities expanded greatly as people migrated to seek employment in the factories that were beginning to develop. As the cities began to develop, so to did the literacy rates of the people in the cities, expanding the potential readership base for newspapers which looked to capture the readership of the middle

and working classes (McChesney: 51). The developing working class had an interest in sport embedded in them via the workplace. They were introduced to sport in the factories in which they were employed by bosses who used sport as a mechanism to strengthen and condition their employees in a bid to assist them in the rigours of working in physically demanding factories (*Ibid.*). The obvious choices of sport by bosses were those that challenged their employees physically, such as American football in the United States and football in Europe (*Ibid.*). At the same time, labour laws and unions were becoming more predominant enforcing restricted working weeks that increased the spare time available to factory workers. A great number of these people filled in their newfound free time playing the sports that they had learned at work. Soon, organised competitions began to develop and so did interest in them. Newspapers soon cashed in, recognising the demand for the results of these competitions. Gambling also became a popular pastime, with boxing matches and horse racing proving particularly popular choices (*Ibid.*). However, sports continued to be reported sparingly in newspapers for most of the remainder of the 1800s and it was not until the nearing of the twentieth century that sport was deemed relevant enough to be given its own section in the newspaper, with journalists being assigned to write solely about sport (Goldlust: 29). As the telegraph became more widely used, sports sections became all the more important, as they were able to provide sports results from right across the country (McChesney: 54). By the 1920s, sport had become one of main forms of entertainment throughout the United States and Great Britain. Subsequently, the sports section became an indispensable section of the daily newspaper (McChesney: 55). By 1930, in the United States, a trend had begun that was also taking place in other areas of Western society: the profit margins of newspaper's were dominated by the revenue accrued by selling advertising in their publications, with up to 75% of a newspapers profit derived from it (McChesney: 56). Profitability in newspaper publishing became based on the newspaper's ability to attract the widest possible readership so the newspaper could then be 'sold' to advertising companies (*Ibid.*). What was reported in newspapers tended to change as editors began to look for more sensational stories in place of the traditional reporting mainly on politics and business in order to attract a larger audience. Sports stories and results proved to be appropriate in providing the new type of stories that newspaper editors were continually seeking.

The development of radio drove the sport-media nexus to its next stage. Sports fans listened in their thousands to the broadcasts of sport matches. Radio stations profited from the sale of advertising space during intervals in sports events (Goldlust: 45). Radio stations would also 'sell' sports events to the highest bidder who would be looking for name association by sponsoring a particular sports event (McChesney: 59).

In the late 1950s, the media landscape was again to undergo significant developments with television becoming an affordable and popular commodity of the newly developed urbanised middle-class, particularly in the United States. Sport was quick to adapt to the new technology, becoming an integral part of the television phenomenon. Whereas newspapers had allowed for the reporting of results and radio had been able to provide commentary of sport, television allowed the viewer to watch the event from the comfort of their living room, as if they were a spectator at the game.

For television executives, sport proved to be an instant ratings winner – pushing up the price of commercial advertising slots during the breaks in a sports game considerably, compared to other periods of the day. Networks bid for the rights to broadcast different sports events knowing advertisers were willing to pay more to have their advertisements run during sports matches (Forster and Pope: 47). Not only can a network gain revenue from having the broadcasting rights to a sports event, it can also take away revenue from the competition. Companies have restricted advertising budgets so if a company decides to pay a premium to advertise during a sports event, it will cut back its advertising in other areas, perhaps on a rival network. By 2006, the price of a 30-second half-time advertising slot during the United States' biggest annual sport event, the Superbowl, cost US\$2.5 million (Nicholson: 9). Having the broadcasting rights to such an event has huge pay-offs for the network broadcasting the event.

Thus far, the works analysed have been concerned with the expansion of sport as a result of it being embedded in the working classes of the United States and Great Britain. They theorise the sports that enjoyed the most media coverage enjoyed a

widespread following before the media became involved. In essence, the public demand drew the media towards the sport.

2.1.3 THE EVER-EXPANDING MEDIA

As already mentioned, newspaper, radio and television have all had a role to play in turning sport from an amateur pursuit into a commercialised professional enterprise. Each adds a new dimension to how we consume sport. Each of these forms of media have also expanded and continued to develop as new technology has become available, while also being joined by new forms of media such as the Internet. Rowe (1999) and Crawford (2004) both discuss how the media are continually expanding offering up more media coverage opportunities to sports that are already commercially viable, while also offering the opportunity for other sports to develop in the media and become recognisable in the public sphere. Rowe and Crawford's theories can assist in understanding how the AC grew to prominence in the New Zealand media. In television, the introduction of cable, satellite and digital formats saw the spawning of new television channels with many requiring a subscription. A number of these pay-television companies introduced channels such as ESPN and SKY Sport solely to broadcast sport 24 hours a day, seven days a week (24/7) (Crawford: 6). To keep such a channel running without repeating the majority of its content meant more opportunities became available for sport to receive television coverage. Free-to-air and terrestrial television struggled to keep viewers and retain sports programmes on limited budgets, forcing them to also seek new sports events to cover (Rowe et al, 2001: 90). In the print media, the cost of printing reduced greatly in the seventies due to advancements in technology, such as direct editorial input and desktop publishing, which saw a rise in the number of amateur publications being produced. Fanzines, originally based on music interests, soon spread to cover sport or particular teams (McChesney: 66). This also led to the rise of sport-based magazines, with many covering a specific sport or team. Following along the lines of 24/7 sports channels on television, radio stations devoted solely to sport also began to develop such as Radio Sport in New Zealand (*Ibid.*). The advent of the Internet has also opened up a number of new opportunities to sport organisations, media corporations and supporters to 'increase vastly the volume of media produced and available on sport' (Crawford: 131).

2.2.1 PROFITING FROM MEDIATED SPORT

As the role of sport in society continued to increase post-World War 2, new opportunities for employment opened up across a number of fields. Andrews writes that:

‘The production and consumption of sport-related goods and services spans any number of industrial sectors, including (but not restricted to) manufactured products and apparel, travel, biomedicine, building construction and education’ (Andrews: 3).

As big and profitable as these fields are, they are small in comparison to the business of media-sport. Andrews notes that the sport-business nexus has been referred to as: ‘mediasport’, ‘sport/media complex’, ‘sport-business-TV nexus’, ‘sportainment’ and the ‘high-flying entertainment-media-sports industry’ (Andrews: 4). The development of the sport-media nexus is part of a wider phase, which Rowe refers to as the ‘culturalization of economics’ (Rowe, 1999: 70). The term refers to the transition that has seen the entertainment industries replace the traditional industries such as manufacturing as the driving force in Western European and the United States economies. Andrews argues that sport is one of the stand-out sources of wealth creation within the wider business of entertainment (Andrews: 7).

In the digital communication era, the majority of live sport on television is only available via pay-television. Schimmel (2005) refers to the marketing philosophy of media baron Rupert Murdoch: ‘Televised sport is a “battering ram” for penetrating and controlling new television markets’ (Schimmel: 4). Employees of Murdoch’s News Corporation have also been quoted as stating that their company is defined by sports, that along with movies, are the two things that drive pay-television (Andrews, 11). Murdoch has expanded his media empire into the ownership of sports teams, in order to secure the broadcasting rights to their games in the bid to increase the number of people subscribing to his pay-television networks. To this end, he has been particularly prominent in the North American sport market purchasing two professional ice hockey teams (New York Rangers, LA Kings), a basketball team (New York Knicks) and a baseball team (LA Dodgers) (*Ibid.*). Other media companies that also look to sponsor or own sports teams have mirrored the attitude of Murdoch. In reply to the continual influence of pay-television providers, state broadcasters and free-to-air television providers are also having to be run more like

commercial operations in order to not only survive but to maintain some sports programming so they can continue to entice advertisers.

As will be discussed in chapter 3, a scenario similar to this has taken place between TVNZ and Team New Zealand.

Boyle (2006) sees issues arising in the future from media companies seeking sponsorship to events or direct ownership of single teams in a wider league. Boyle believes that the notion of impartial journalism will disappear as journalists who report on teams that their employer owns take on more of a public relations role. It could also lead to some journalists being given preferential treatment. This will be discussed further in the context of TVNZ becoming a naming rights sponsor to Team New Zealand (see Chapter 3). It will also discuss issues that can arise when a network sponsors a team when the rights to that team's games are held by an opposing network.

2.2.2 NEWSWORTHINESS

All events, regardless of their genre, must adhere to certain news values in order to be deemed newsworthy. The following part of this chapter discusses the theories of Galtung and Ruge (1965) and Gans (2004), which discuss the news values that must be present within a story for it to be deemed newsworthy. Their theories are not specific to sport but rather, they are generic through the news.

Galtung and Ruge identified twelve criteria for a story to gain recognition from the media (Harcup and O'Neill, 2001: 261). The work of Galtung and Ruge still holds resonance today, and can be applied to the media at all levels: international, national and local. Among the factors, some that hold particular relevance to this thesis are: unambiguity, meaningfulness, continuity and reference to elite people (Harcup and O'Neill: 263). The less ambiguous a news story, and the more clearly it can be understood, the more likely it is to become a story. Sociologist Herbert Gans reflects the ideas addressed by Galtung and Ruge by identifying with four story importance judgements: Rank in Governmental and other hierarchies; impact on nation and national interest; impact on large numbers of people; significance for the past and future (Gans: 147). These will be taken into consideration when addressing why the AC became newsworthy in the New Zealand media, both on a national and regional

level. For example, a hotel fire in Thailand would not be deemed to be newsworthy in New Zealand, but if a New Zealander is involved it has a national interest so becomes newsworthy. The death of Princess Diana became world-wide news as she is an elite person with a following around the world so the story was deemed newsworthy throughout the world. On a national level, the result of a Dunedin club rugby game on any ordinary weekend is newsworthy to those living in the Dunedin region and will be picked up by news outlets whose main focus is on that area, but it is hardly newsworthy enough to be considered for the 6 p.m. national television news. The factors outlined by Galtung and Ruge will be discussed further in relation to the AC in chapter 4.

2.2.3 MEDIA-FRIENDLY SPORT

While Galtung and Ruge and Gans discuss the process that events must go through to be deemed newsworthy, they do not look specifically at sport or how events can also assist themselves at attracting the media. Horne (2006) and Lowes (1999) not only focus on how sport gets into the news, but look at the wider context of how sport gets into the media, outside of the news, for example the televising of sport matches.

‘The media have long exerted considerable influence not just on who watches which sports where, but even over the nature of sports and over their growth and decline’ (Blain, 2003: 227).

Sports seek media coverage because of the exposure that it can offer. Sports teams, tournaments, athletes and organisations that manage to attract the attention of the media tend to fare better financially than those that do not.

‘Exposure for a sport attracts new recruits. It attracts fans, consumers and spectators. In the past 40 years media exposure has also boosted the chances of gaining, if not guaranteeing, sponsorship’ (Horne, 2006: 42).

The ability of a sport to receive media attention can depend on a number of factors. Firstly, it can be culturally specific. In New Zealand, rugby is the national sport and therefore unrivalled in the media coverage it receives. While football is the predominant sport in other parts of the world, it receives relatively little attention in New Zealand. The same scenario is applicable to American Football in the United States and Australian Rules in Australia, sports that receive mass media coverage in

their respective countries but little coverage outside them. It is assumed that the general public has an understanding of these sports with the names of teams and players being common knowledge. This affects on the type of media coverage that a particular sport receives (Horne: 1). If it is assumed that the sport appeals to the majority of the target audience, coverage will take on less of an introductory role and will instead assume the audience is well-equipped with the basic knowledge of what they are viewing. If a sport is receiving a fleeting interest in the media, then the coverage of it tends to be more explanatory, assuming the majority of the audience has little more than a basic knowledge of the sport. The same theory applies for sports events, athletes and particular teams (*Ibid.*).

As mentioned above, many sports teams, leagues and athletes enjoy extensive media coverage where the media pay for the rights to broadcast their games. The more media coverage a team or athlete receives, the more attractive they become as a commercial commodity, leading more and more sponsors to vie for brand association with the particular team or athlete. Effectively, the more media coverage a sport can generate, the more attractive it becomes to sponsors, while also creating better merchandise opportunities for leagues, teams, events and clubs (Crawford: 173).

However, the situation described above is not generic throughout sport. Only a few culturally specific sports tend to be drawcards for the media. While a handful of sports enjoy the financial benefits of high media coverage, other sports struggle to pay for media companies to come and broadcast their events. To broadcast sports events can be an expensive task and media organisations will ignore covering sports unless they can see them being a financial success (Nicholson: 124). A sport that has a large participation rate does not necessarily receive much media coverage, with lawn bowls and touch rugby being examples in New Zealand.

While all sports offer a predictable occurrence with an unpredictable outcome and the ideal news story is exactly that, there are still a number of things that have to be factored into a television executive's decision into what sports deserve media coverage (Horne: 42). As mentioned above, cultural considerations are high on the agendas of sport's executives as they decide what sport is best suited to their target audience. Traditionally, sports events that take place within a stadium appeal to sport

producers, as it is easy to set up fixed cameras to capture the action in a relatively inexpensive exercise. In this regard, sports such as football, rugby and basketball are particularly attractive to media executives. Allowing for extra time, these three sports are also easy to plan into a television schedule. They begin at a set time and typically finish within a relatively specific time-frame. Other sports are not so easy to schedule for. Sports such as cricket and yachting are highly weather-dependant and may be delayed for long periods, forcing producers to find makeshift programmes to fill the space until play resumes, if at all. Horne's theory is relevant to yachting, a sport that takes place outside of the confines of a stadium and is reliant on favourable weather conditions, making it difficult to schedule for television. However, new technologies that will be discussed further in chapter 3 have assisted sports such as yachting in becoming more television-friendly.

Another reason that some sports receive more coverage than others is pointed to by Lowes (1999) who discusses how the roles of news reporters have become institutionalised. Lowes' work is perhaps one of the best examples of attempting to understand why news workers select some stories for the news and ignore others. Journalists are under a daily constraint to write a certain number of stories and to meet deadlines. Such is the pressure on them, they tend to fall into a routine of relying on the same sources for stories, often finding that time constraints placed on them hinder their ability to seek stories from new sources. Lowes states that journalists for the most part, fail to explore new sources and instead follow the proven routines used before.

'Sports newswork has become routinised, which has the effect of standardising sports news content – it is mainly about major commercial sports' (Lowes: 129).

Lowes also discusses how media coverage varies markedly from sport to sport. Lowes believes that the prevailing philosophy in the sports news department is to cater to the tastes of its perceived target audience: 18-49 year old males with disposable income. The 'perceived' tastes of the targeted audience are assumed to be those sports that are deemed commercial but this still does not explain how some sports come to be 'commercial' yet others do not. In the sports departments of major daily newspapers in the United States and Canada, the main concern is primarily to report on the major leagues and all facets of these leagues before even considering

reporting on the sports that are considered to be of minor interest (Lowes: 133). The coverage of the commercial leagues will include results, match reports, movement of players injury reports and labour unrest relating to the sport in question. Coverage of the 'non-commercial' sports will be limited to at best a mention in the 'in brief' section or the results page. Newspapers will generally not assign a journalist to reporting on these events but will instead rely on reports from independent journalists who may have an infinite knowledge of the sport in question (*Ibid.*). More about Lowe's theories will appear in chapter 5 in relation to who daily newspapers in New Zealand relied on for their reports from Valencia. One key term continually used by Lowes is 'commercialised sport.' As stated above, sports that are considered to commercialised are given much more in-depth coverage. Because they are commercialised, they can also be approached more like a business than the traditional notion of a 'sport.' Boyle writes that the more in-depth coverage afforded to some sports has in itself changed the nature of sports journalism as it is no longer simply about reporting on what happens during a game.

'The sport's industry now regularly involves major media and financial institutes as well as Government intervention. This process has helped blur the boundaries between traditional notions of sports journalism and journalism about sports-related activity' (Boyle: 4).

Lowes also states that the cost of assigning a journalist to a particular beat or reporting on one sport or team in particular can be a costly exercise and in return the newspapers expect a substantial return. They will typically not assign those journalists to report on any other teams or sports. In New Zealand, journalists will typically be assigned to a summer sport and a winter sport and will report little outside, except for events such as the Commonwealth Games and the Olympics. Because the journalists are expected to stick to their 'beat', there is also the belief that they are expected to report stories even when nothing is going on, devaluing the quality of the stories. This will be discussed further in chapter 4, in relation to the value of having a reporter based in Valencia compared to relying on external news providers for AC stories.

As already mentioned, due to the constraints placed on journalists, they tend to rely on the same sources for their news. Commercial sports organisations will typically have their own public relations consultants who will provide press releases for the

press and also hold regular news conferences in which players and coaches will be made available for questioning from journalists in a controlled environment. This makes the job of the journalist easier, because in the first case they are given the story to report and secondly they do not need to chase up players on their own accord. Sports that have a good public relations framework in place are more likely to receive media coverage as they alleviate the work pressures of journalists.

Commercial sports organisations also have the funding available to provide for the journalist. For example, commercial sports teams or events will typically have a newsroom onsite with the needs of the journalists being met. Some commercial sports teams and events go as far as providing catering for journalists (Lowes: 138). Providing such services assists in enticing journalists to cover events. It is also done in the hope of receiving positive coverage in the media.

Lowes states that his argument has been developed with the intention for further investigation on what controls what sport receives media attention where others do not, stating that economic rationality alone cannot decide what sports are reported and covered. It is an area where more work needs to be done with more research that looks at the wider social implications that also play a significant part in deciding what news is reported on (Lowes: 144).

The above theories all assist in beginning to understand why some sports enjoy a higher media profile than others, but at the same time, there are a number of sports that do not fit into the framework provided above. There is little theoretical writing to explain why some sports that are neither culturally specific nor enjoy a high participation level still receive significant media exposure, for example the AC in the New Zealand media. There is also little research done into why some sports that have a high participation rate and fit into the framework of being considered media-friendly still struggle to gain media exposure, such as softball in New Zealand. Lowes has explained why some sports are successful in courting the media but he falls short of explaining why specific sports are successful at capturing the attention of the media in the first place.

2.3.1 SPONSORSHIP OF SPORT

In the professional era, a sports event, team or athlete cannot hope to survive without some form of sponsorship.

‘There are few businesses today that do not have, or have not had, some link to sport and there are even fewer sport leagues, teams, events or organizations that do not have some commercial aspect to their operation’ (Slack, 2004: xxii).

In the sporting environment, the sponsor will typically expect something in return for their sponsorship. Sponsors can assist sport at all levels. At the basic level, the money can assist in the purchasing of a team kit or the development of the facilities that the team uses to play and train at. At the highest level, they can assist in the development or upgrading of stadiums and the costs of running a professional sports team that might have to travel extensively. Having a reputable sponsor on board can be rewarding just by association.

‘Being associated with a well-known company or brand is beneficial to the organisers since it increases the visibility and credibility of their event. Hence the result is a virtuous circle that leads to a growth in demand both for the sponsors products and for the sport’ (Jeanrenaud, 2006: 57)

As sport has become more globalised, and the price of competing at the highest level has increased, the sponsors of clubs have changed. Whereas clubs may once have had a single sponsor from a local business with direct interests in the area, the changing face of sport means that having local sponsorship is becoming rarer. Small companies often lack the budgets to continue to sponsor teams, forcing the clubs to seek sponsorship from outside the region they are representing. This is where the role of multi-national corporations - of which more is discussed later in this chapter - gain significance in sport.

In the 1920s, with the advent of radio, opportunities were offered to companies to sponsor sports broadcasts and in return they could expect to have their product mentioned throughout the broadcast. Sponsors could also sponsor individual teams or players and in return have signage at the team’s home ground, their corporate logo placed on the team shirt or be the naming rights sponsor to the team. However, the exposure was limited to the spectators who attended the game, or a glimpse of their

signage in the background of a picture featured in the newspaper. Television added a new dimension for sponsors. From the perspective of having their product mentioned during the broadcast, it could now be aided by moving pictures. From the perspective of sponsoring a team, sponsors knew that their signage or logos on the player's paraphernalia could now be viewed by more than those that were just attending the game.

'Wide-scale media coverage of top-level sport makes it a good vehicle for increasing brand awareness. Association with the positive image projected by an athlete, club or sporting event can also feed into the company's commercial strategy. In order to achieve the desired effect, the sponsor must ensure that there is a congruence between the image of the sport or the entity in question and the one it is seeking to achieve for its brand or products' (Jeanrenaud: 43).

Television executives were able to produce ratings that made sponsorship of sports teams, players, events and competitions appealing. Sport that is broadcast live is even more enticing. Nicholson writes that sport is unique in that it obtains special features that are not found in other media products. Sports games are ephemeral products in that they are not easily substituted. Although they can be viewed via delayed coverage, the value of them is significantly less, as the consumer has an intense interest in the result as soon as it happens. In addition, if someone wants to watch a particular sport or fixture, they will find access to live coverage of that event. They will not substitute it for another game or sport. With other genres in the entertainment industry, if a programme that they wish to watch is not on, the same desire does not exist to go out and find coverage of the programme. Andrews says sport is 'practically the only live television genre involving uncertain outcomes' reiterating the importance of live sports coverage (Andrews: 8).

A company can also be perceived favourably if they are seen to be sponsoring a fledging athlete or sport at the community level. This is why it is important for companies to support sport from the grassroots through to the professional leagues. Again, however, this does not extend to all sports with sports that receive the most sponsorship at the top level tending to favour the best at the grassroots level, for example rugby in New Zealand.

Jeanrenaud (57) raises a point that is particularly significant to this thesis:

‘Sometimes the sponsor demands the right to exercise control over the activities of the sponsored entity, which can create the risk of conflict between the commercial interest of the sponsor and the sporting interests of the individual athlete, a sporting organization or even a particular sport as a whole.’

This theory holds relevance in relation to the current governance of the AC. This will be analysed further in chapter 3.

For a company to become involved in the sponsorship of sport, it is not necessary for the sponsor to have a recognisable direct link to the sport, nor team that they are sponsoring. Companies such as Adidas and Nike specialise in the manufacturing of sporting goods with many professional teams sporting footwear and team kits brandishing their logos. They benefit directly by also manufacturing the same kits for retail to fans and promoting their footwear as that worn by the consumers’ sporting idols. In these circumstances, the benefits of such companies sponsoring sport is obvious. However, these companies account for only a small percentage of sports sponsorship, with far more sponsorship being generated from companies whose products offer little or no assistance to athletes while they are playing: yet they still benefit from association with it. Some of the largest sponsors of sports are car (BMW – BMW Oracle AC syndicate), beer (Speights – Otago Rugby) and electronics manufacturers (Sony - Wellington Phoenix Football Club). In return for sponsoring a team, a sponsor can expect to have the right to brandish the logo of the club it is sponsoring on its own product hoping to entice the fans of the club to buy its product. The sponsorship of Emirates Team New Zealand by a Spanish beer company with limited interest in the New Zealand market is analysed in chapter 4.

Companies, for their part, are selective in what they sponsor. Extensive market research will be conducted before a company commits to sponsoring anything (McChesney: 89). Although it is often difficult to make the link between a particular sponsor with a particular sport a company will seek to sponsor a team, athlete or competition that they believe is reflective of what they see their company as being about or what the target audience is interested in.

‘Sports – especially major team sports plus golf, tennis and Olympic sports –tend to attract the types of educated, affluent and consumption-oriented audiences that many major advertisers fantasize about’ (*Ibid.*).

Most of the literature studied (Slack, McChesney), does not take into account what will happen to sport if sponsorship begins to dry up and sponsors renege on their contracts. Most studies concerned with sports sponsorship look at the benefits that both are thought to receive from sponsorship - sport receives the funding it needs to operate while sponsors are thought to sell more products by having name association with a particular sport, competition or athlete. Little research takes into account what will happen if the sponsors fall on hard times and can no longer afford to put so much money towards sponsoring sport, such as has happened in recent times as companies begin to feel the effects of the global credit crisis. Sports organisations are beginning to realise that funding is no longer so readily available and a heavy reliance on sponsorship has made them financially vulnerable. Some researchers such as Slack and Amis (2004: 260), voice their concerns at the lack of research done on the negative effects of the relationship between sport and sponsors, their argument is more pointed towards the schisms that sponsorship creates between commercial and non-commercial sport. As this is rare phenomenon, there is little academic research available on the effects of the widespread economic hardship on sport. Whilst Jeanrenaud warns of the risks of a sport becoming almost wholly dependent on sponsors, he fails to offer a solution to the problem.

‘There is a risk now that a sport can become wholly dependent and when the sponsor withdraws, it can leave the sport in serious difficulty’ (Jeanrenaud: 57).

One could question how an ever-increasing number of sports events manage to find enough sponsorship. It is the desires of media corporations and multi-national corporations to continue to expand their empires that enables the number of mega events to rise. Subscription television providers are introducing new channels, which need a wider field of sports events to televise in order to justify their existence. Slack and Amis write that as the United States and Western Europe enter a period of over-production, in which the market is saturated with consumer goods, companies are still

looking to expand and introduce new products to increase their profitability. Central to their success at achieving this goal, is the ability to successfully market their new products. This is where sport comes in to play. Sport is proven to be a successful vehicle for marketing a product, so the more products that need to be marketed, the more opportunities there are for sports to receive sponsorship.

2.4.1 MULTI-NATIONAL CORPORATIONS

The final part of this chapter focuses on the development of multi-national corporations and the role they have come to play in sport, and how sports organisations in their own right have come to reflect multi-national corporations. As discussed previously, where sports teams once relied on local businesses for sponsorship, the growth and development of sport meant that the influence of a sports team was no longer limited to the area in which it was geographically based. The media influence on sport saw not only sports, but also teams become globalised, making them attractive sponsorship options for multi-national corporations who are also attempting to globalise their businesses.

A team or brand such as English football team Manchester United is an attractive sponsorship option because of the global awareness and interest in the team. The influence of Manchester United reaches far outside of the city of Manchester. People from around the world refer to Manchester United as their team, without any cultural or historical association with the area that the team derives from. They feel they have an affiliation with the brand 'Manchester United.'

Multi-national corporations and trans-national corporations have arguably had the biggest role to play in the shaping of sport into what it is today (Jackson et al: 207). They now own stadiums, naming rights, teams, broadcasting rights and in some cases entire leagues. The amounts that they are willing to pay to sponsor particular events, athletes or teams now reach high into the hundreds of millions. NBC television network was willing to pay US \$2.201 billion for the broadcasting rights to the 2010 summer and 2012 winter Olympics, a total of 34 days of sport (Tully, 2008: 221). Although there are still examples of individuals bankrolling teams, they are certainly in the minority. Multi-national corporations tend to have little cultural or historical

link to the ventures they sponsor, but do so for increased exposure of their companies in new and established markets.

The new urban class previously referred to regarding to the growth of television, developed in the United States following World War 2 alongside burgeoning capitalism. Andrews (2004) believes that it was capitalism in the second half of last century that led to a new form of colonisation beginning in the United States and Canada before moving onto Japan, Western Europe and Australasia. Local markets in the United States became saturated with cheap foreign goods forcing companies to look abroad if they were to continue to increase their market share. At the same time, wage increases, increased production costs and competition from cheaper imported goods saw the companies move away from their traditional bases and set up new factories in developing countries (Andrews and Silk: 173). The two processes saw multi-national corporations become increasingly globalised. As they moved into new markets, it was paramount that they appeal to the local and appear to be representative of the culture in which they were attempting to lure towards their product.

2.4.2 LOCALISING THE MULTI-NATIONAL CORPORATION

Jackson et al write that sport holds a global popularity that has made it a powerful tool for the expansion of multi-national commercial interests. In the 1980s, the assumption was made by Levitt (1982 cited in Silk et al) that multi-national corporations could treat large parts of the world as one largely identical entity. In doing so, they would overlook national identities and cultures to accrue the widest possible market base. Many feared the increasing influence of multi-nationals would lead to the end of the nation state as it operated and existed post-World War 2. This did not turn out to be the case, with companies that were naïve enough to ignore cultural insensitivities proving unsuccessful at pushing their products into new markets (Jackson et al: 213). Instead, corporations that remained aware of individual cultures marketed their products appropriately and proved successful at infiltrating local markets. A common theory arose, to take a ‘think global, act local’ approach when moving into new markets. Companies such as Adidas, Toyota and Panasonic have been able to operate successfully across a number of markets by deciphering the symbols and ideals that

are relevant to the imagined community of the individual markets. They then market their products accordingly.

‘As companies attempt to appeal to a wider audience, they must overcome cultural boundaries and appeal to the local, by creating an image of their company which is reflective of that of the national cultural psyche’ (Andrews and Silk: 172).

One important cultural medium that multi-national corporations use in infiltrating new markets is sport. As has been alluded to earlier in this chapter, sport for a number of reasons is a useful tool in marketing products. By sponsoring sports that are considered to be of high national importance, brands can build up a recognition within the community. For example, Nike recognises the importance of cricket in India and therefore dedicates large sums of money into the sponsorship of that sport, while it also recognises the importance of football in a country such as Brazil where it sponsors the national men’s team and pays endorsements to a number of that country’s leading players.

2.4.3 SPORT’S ORGANISATIONS

As sport began to take on a more globalised form in a commercial world, the need arose for sports to take on a universal set of rules along with the organisation of tournaments to attract fans and sponsors to their particular sports. To control this, sports began to develop their own governing bodies. Forster and Pope (2004) classify these governing bodies as Global Sporting Organisations. The largest examples of these are the Federation Internationale de Football Association (FIFA) which governs world football and the International Olympic Corporation (IOC) that controls the world Olympic movement. Each sport has a similar ruling body. The ruling body is not susceptible to challenge as some may look to move a particular sport in a different direction or at least share the control of running a sport. In some sports such as boxing, many groups claim to be the governing organisation creating schisms in the sport and a number of meaningless titles (Forster and Pope: 6). In their infancy the governing bodies of sports were developed as not-for-profit organisations to formalise and further the interests of their respective sports. However as their sports have transformed into commercial enterprises, the controlling bodies have also prospered financially. Giulianotti believes that the ability of global sports organisations to attract income has pushed them from being sport-oriented associations into being trans-

national corporations. Giulianotti cites FIFA, which makes billions of dollars through the sale of the television rights to the number of Football World Cups it organises. Forster and Pope deem this problematic when the original role of global sports organisations was more to do with the symbolic rather than commercial action in sport. The AC has not been devoid of its own issues relating to its governing body and has indeed suffered from the problems outlined by Forster and Pope.

As will be discussed throughout this thesis, the AC has its own unique way of being governed that sets it apart from other sports. The unique set of rules (explained in chapter 3) mean that the winning team effectively gets to decide the rule under which the next campaign will run.

2.4.4 THE APPEAL OF SPORTING ‘MEGA EVENTS’ TO CITIES

While most sports events take place annually and typically last over a number of months spanning cities, and sometimes in the case of events such as the Formula One Grand Prix Circuit, a number of countries, some events only take place every few years and last no more than two weeks (Horne and Manzenreiter, 2006: 2). These events usually only take place every four years, of which the FIFA Football World Cup and the Olympics are the best-known examples. They are deemed to have significant consequences for the host cities, region or country in which they occur and it is assumed that they will attract considerable media coverage. Jackson et al look at these events as simply being created and produced in order to attract television audiences whose capacity to consume is sold to prospective promotional agents. Holding an event can do much to boost the profile of a city or a region and can provide financial gain from the people that visit the region during the event. However, in the initial stages, a great amount of money must be spent simply to bid for a chance to host the event. If the bid is unsuccessful, it sees large amounts of money spent for no return. Often the money spent to secure an event in the first place is at the expense of arguably more pressing issues (Slack: xxiii). There is also the hope that the exposure gained from the event will lead to long-term benefits in increased tourism and business. If the hosting of the event is deemed to be a success, there is also hope created that other events may look at holding tournaments in the region. Rivenburgh (2003) says that there has been a continual rise in the number of events that claim to be ‘mega’ events. They are all attempting to procure the widest possible global

market. The rise in the number of global events has been particularly significant since the eighties (Rivenburgh: 34). Although Rivenburgh clearly shows a rise in the number of sporting mega events, she does not make claim as to who is funding them. It is assumed that as they are global in scale, then the sponsors behind the events will also be global in scale. One of the more controversial aspects of Team New Zealand competing in Valencia was that to do so depended on substantial Government backing. The theories of Rivenburgh (2003), Horne and Manzenreiter (2006), and Jackson et al (2005), assist in explaining why the Government would be willing to assist in the financing of a sporting endeavour. For example, the New Zealand Government assisted Team New Zealand in 2007, partly in the knowledge that if the team won the next event would be staged in Auckland.

3. HISTORY OF THE AMERICA'S CUP

INTRODUCTION

To fully understand why the New Zealand print media reported the 2007 AC, one must first have an understanding of the regattas preceding Valencia and, in particular, those campaigns post-1983 that had a significant New Zealand presence in them. This chapter is divided into three parts. Part 1 explains the early history of the AC and explains the rules regarding the governance of the event. It will also explain the Louis Vuitton Cup, the challenger series that decides who challenges the defender for the AC. Part 2 focuses on New Zealand's involvement in the event pre-2007. It looks at the economic and social issues that New Zealand faced in the 1980s and how entrepreneurs such as Sir Michael Fay took advantage of the social and economic conditions to develop a campaign with a nation's support. Part 2 will also discuss how TVNZ came up with a unique sponsorship scheme to ensure a team was able to continue competing in the AC and how a deal made in 1992 still has repercussions for New Zealand's AC involvement now. Part 3 of the chapter takes an in-depth look at the 2007 campaign in Valencia, with a particular focus on Emirates Team New Zealand.

PART ONE: AMERICA'S CUP BEFORE NEW ZEALAND INVOLVEMENT

3.1.1 FOUNDATIONS OF THE AMERICA'S CUP

'It's the oldest trophy in sports, a billion-dollar competition that lasts four long years. It can crush tycoons, restore or ruin reputations, and turn deep eccentricity into high entertainment' (Tayman, 2007: 58).

From the beginning, money and self-fulfilment have been key components of the AC. In 1850 a British merchant, whilst in the United States claimed that British boats were far superior to those of their American counterparts (Tayman: 60). The Americans considered this a challenge to their boat-building ability and a yacht, appropriately named America, set sail for England to compete in an international sailing regatta around the Isle of Wight, timed to coincide with the 1851 World Fair. The race was organised by the Royal Yacht Squadron, which put up a cup valued at 100 guineas as a prize for the victor (Rayner, 2007: 34). America proved its superiority easily beating

the field with the closest British challenge finishing twenty minutes behind arrear (*The New Zealand Herald*, June 22: 2007).

On returning to the United States, little thought was initially given to the trophy, with it being shared amongst the crew members of America who took turns at displaying it on their mantelpieces (Rayner: 36). In 1857, however the surviving members of America had the foresight to donate the trophy to the New York Yacht Club (NYYC) ‘upon the conditions that it shall be preserved as a perpetual challenge cup for friendly competition between foreign countries’ (Tayman: 61). On donating the cup, the surviving members also named it: The America’s Cup. Included with the donation of the AC was a ‘deed of gift’ outlining the rules for future challenges (*Ibid.*). The deed of gift has attributed to many of the controversies that have plagued the race ever since, but also what helps make the AC such a unique event.

3.1.2 THE ‘DEED OF GIFT’

The original deed of gift was brief and easily understood. Between 1870 and 1881, four challenges took place adhering to the stipulations set forth in this original deed. However, controversy followed the 1881 challenge, leading to an amendment of the deed. The 1881 regatta was challenged by a land-locked Canadian club that had its yacht towed to New York across land, with the crew meeting the yacht upon its arrival in New York (Rayner: 44). This upset the NYYC which returned the AC and the deed of gift to the last surviving member of the ‘America’ crew, George Schuyler, who was given the task of changing the deed to state that only yacht clubs holding their annual regatta on an ocean course could compete for the AC (*Ibid.*). A number of other changes relating to how the competing yacht arrived at the port of challenge were also stipulated. In 1887, the deed was again returned to Schuyler for further amendments relating to the dimensions of the boats (*Ibid.*). Perhaps the most significant change to come out of the latest amendment was making the deed the responsibility of the defending club. The deed now barely resembled the original manuscript and the AC had already begun to travel down a path from which it had originally been set up to achieve. Handing the deed of gift to the defending club rather than placing it in the hands of a mutual governing body made the AC stand out from other sporting events. It placed the odds squarely in the favour of the defending yacht club, which could change the rules to suit itself. Thus began a pattern of defending

teams amending the deed to give themselves an advantage over challengers. Further amendments to the deed of gift have been made in adherence to the technological changes that have taken place in the sport of sailing. As the AC has progressed in the professional era of sport, the relaxing of rules regarding the nationality of sailors and the origin of boats have been met in some quarters with disdain, with a popular argument claiming that they are neither necessary, nor good for the future of the sport (*Ibid.*).

3.1.3 AN ATTRACTION FOR THE RICH AND FAMOUS

Because the rules were stacked so heavily in favour of the defender, challenges continued to be irregular with many foreign entrants seeing a successful challenge to win the AC as impossible. On the other hand, this is what also assisted in giving the AC its allure. Wealthy men became fixated at attempting to take the AC away from the United States, driven by the bragging rights that such a feat would give them. To have a serious chance of winning the AC, a great deal of money was needed, putting the AC out of reach of all but a few.

‘There was no particular reason for anyone to place any great significance on the cup, but for some reason the wealthy and powerful became attracted to trying to win it. The association of names like JP Morgan, Harold S. Vanderbilt, Sir Thomas Lipton, Sir Tom Sopwith and Sir Frank Packer somehow gave the trophy a bit of glamour. The meek have always been inordinately interested in the doings of the mighty’ (Eagles, 1986: 4).

Racing stalled after 1939 and did not restart again until 1958. It continued to be dominated by yachts representing the NYYC. During the period of no racing, there was significant change in the way that the world's wealth was shared with even the world's wealthiest struggling to accrue the finances to mount an AC challenge on their own accord. The wealth had moved from individual families to corporations, and it was under the name of these companies that the next generation of challenges began to be mounted (Eagles: 5). It had become a commercial operation and the people backing the teams wanted a serious return for their money. The AC had forever changed course and the media became integral as the corporations sponsoring the AC used the media to promote their sponsorship. The corporations becoming involved

included Cadillac, Newsweek, BHP, Fiat, Alitalia, Gucci, BP, Hewlett-Packard and Kodak (*Ibid.*).

The evolving contest of the AC post-World War 2 and the sponsors' push for the event to gain increasing media attention worked in building up widespread international interest in the event, with challenges now coming from outside Canada and Great Britain. Following World War 2 the regatta ran every four years, and within 30 days of the completion of the 1967 event, the NYYC had received challenges from four countries, England, Australia, France and Greece (Rayner: 76). The NYYC deemed that it was only fair that a challenger's series be held to see who would ultimately race against it (*Ibid.*). As the deed of gift did not mention anything regarding such an event, the NYYC was not legally bound to such an obligation and still had the right, if it wished, to select the challenger.

3.1.4 CHANGES IN THE CUP

For the first time in 1981 the challenger series was to be known as the Louis Vuitton Cup, after the European luxury goods company agreed to sponsor the event, believing the event was attractive to an audience it was attempting to capture through their products (Lewis, *Herald on Sunday*: July 01 2007). This was the beginning of what would go on to be the longest-running title sponsorship in sport: 25 years (*Ibid.*). It was significant in that having the name of such an exclusive company as the main sponsor reinforced the notion that the AC was an event attractive to the rich and famous. In the same year, however, another event took place that forever changed the course of the AC, when the NYYC was to finally lose its hold on the AC.

After successfully defending the AC for 25 challenges over a 132-year period NYYC finally met its match in the Australian yacht, Australia II (Wilkins, 2000: 16). Financed by Alan Bond, Australia II successfully navigated its way through the Louis Vuitton Cup to meet Dennis Conner's crew aboard Liberty, taking the coveted prize four races to three (*Ibid.*). The series proved to be riveting with strong television ratings in Australia, where the media portrayed it as the underdog taking on the might and wealth of the US and winning. As had become the norm with the AC, it was also surrounded in controversy, with the Australian entry using a revolutionary winged-keel (Rayner: 84). Conner attempted to outlaw the keel, claiming that it was not

within the rules but the adjudicators could find no fault with it and Bond managed to play the media to perfection in getting them to sympathise with him in the saga that became known as 'keelgate' (*Ibid.*).

‘It was David and Goliath. It was Bondy and his Ocker-mates taking on the blue-bloods of the New York establishment. It was skulduggery and deviousness. It was riveting and the underdogs won" (Wilkins: 56).’

Media companies in Australia vied to get the best coverage of what was taking place in Newport, recognising that if Australia was to win, there was an opportunity to be the host broadcaster for the next event. For the first time, middle-class New Zealand also began to get a real understanding of what the AC was.

‘These [the pictures] were relayed back to Australia by satellites so the AC became a reality in the living room, not some far-off obscure event which periodically emerged from the mists of Newport to corrupt the sport's pages with strange looking boats and even stranger vocabulary. New Zealand piggy-backed on Australia's coverage, taking a live feed of the final two races in the series. For possibly the first time in history New Zealand, almost to a person, was rooting for Australia in a sporting contest’ (Back to Back Black Magic, 2000: 60).

With the next regatta now scheduled to take place in Australia, it provided a realistic opportunity for New Zealand to become involved in AC racing.

PART TWO: NEW ZEALAND'S INVOLVEMENT IN THE AMERICA'S CUP

3.2.1 BNZ CHALLENGE IN FREMANTLE: 1987

With Australia winning in 1983 and with the next event scheduled to be raced in Fremantle there was a realistic opportunity for New Zealand to challenge for the AC (Sefton, 1987: 59). However, The yachting fraternity for the most part only took a fleeting interest in the AC; with the entry deadline nearing it looked unlikely that New Zealand would enter. In the eighties, yachting had featured prominently in the public sphere, in main because of Kiwi success in the Whitbread Round the World Yacht Race and the One Tonne Cup. Those who could realistically afford to set up a New Zealand challenge chose not to. The New Zealand Royal Yacht Squadron (NZRYS)

in Auckland had stated that it would be happy to lend its name to any would-be challengers, but lacked the funding to mount the campaign of its own accord (Wilkins: 57).

Funding of a campaign fell into the hands of prominent Auckland businessman Sir Tom Clark who was an avid AC fan who had travelled to Newport to watch the event. He had in the past considered mounting a New Zealand challenge but the logistics involved meant that New Zealand could not do itself justice travelling to New York (Wilkins: 57). His enthusiasm for the idea grew when he witnessed Australia II take the AC off the NYYC. The scheduling of the event to be held in Fremantle was inconvenient for Clark, as he was already funding New Zealand's second attempt to win the Whitbread Round the World Race. He also reasoned that his support alone was never going to be enough, feeling that New Zealand lacked the companies with advertising budgets large enough to sponsor something as expensive as an AC challenge. Clark figured that an entry would cost between New Zealand \$5 million - \$6 million, compared to \$1 million for the 1981-1982 Whitbread Round the World race and \$3 million for the 1985-1986 challenge (Sefton: 62). History suggested that to have any real chance of winning, a team would need to be prepared to mount more than one campaign.

Following the passing of the deadline for entries, the NZRYS was as surprised as any to learn from the media that a campaign had been entered on its behalf. Further investigation revealed that little-known Australian-based Belgian businessman Marcel Fachler had been responsible for putting up the \$16 000 entry fee (*Ibid.*). Fachler, who at the time dealt in commodities, wanted to further his business interests into New Zealand and saw sponsorship of a New Zealand entry in the AC as a good way to make a name for himself in Australasia.

Following the announcement of New Zealand's entry, initial enthusiasm was strong. Swift action was taken to get the right people involved and find an appropriate yacht. However strong this enthusiasm may have been, it did not produce cash to fund the campaign. Early signs were promising when Epiglass, a fibreglass company who had worked closely with other New Zealand yachting campaigns, NZ \$500 000 towards the campaign (Sefton: 67). It was at the time, by far the largest amount of money ever

put forward in sponsoring a sporting endeavour in New Zealand. In response to the announcement, Mike Moore, who was serving as New Zealand's Minister of Overseas Trade applauded its 'leadership role', insisting that other New Zealand companies should follow the lead, claiming that an AC campaign would offer 'invaluable prestige and public opportunities for New Zealand' (*Ibid.*). For the most part, Moore's sentiments fell on deaf ears.. Hopes for the campaign were not helped when the initial instigator, Marcel Fachler, found himself in difficulty with the law for some questionable business transactions.

Former cabinet minister Aussie Malcolm, who happened to be a member of the NZRYS and a close friend of investment banker Michael Fay, approached Fay to see if he would be willing to bankroll the campaign. Fay was initially disinterested so it was left to his business partner and keen yachtsman, David Richwhite, to point out the advantages sponsoring an AC campaign could have for their business. The AC was famous for attracting the young, brash and wealthy; people such as Fay and Richwhite. They were also the type of people that Fay and Richwhite wanted to target as clients. (Eagles: 38). Until Fay was convinced the New Zealand bid was realistic, he remained a silent backer, with everything kept under tight security, in order to avoid media speculation and the building of false hope in the public sphere.

'At the time we moved, the campaign had lost momentum and confidence. If we had gone out and looked for sponsorship, we would have had nothing to offer. So we decided to carry on very quietly, financing things from an overdraft which Fay-Richwhite guaranteed, until it had been built up to the right level' (*Ibid.*).

This worked in his favour as the media was kept at an arms length with any news slowly leaked to selected media outlets.

Fay proved to be instrumental in recruiting the right people to assist in the campaign. Trips abroad had proved fruitless at finding a suitable yacht, so Fay looked closer to home, bringing together three of New Zealand's internationally reputed yacht designers. To make such a decision seriously strained the budget of NZ \$6 million to \$7 million but Fay remained staunch in keeping as much of the campaign sourced from New Zealand as possible.

With the foundations in place, it was time for Fay to find a naming rights sponsor for the yacht. After considering a number of companies, the Bank of New Zealand was deemed best. What was paramount in Fay's decision was having a naming rights sponsor whose business covered the entire country and had New Zealand in its title, to assist in giving the entry a national identity (Sefton: 117). In return for its sponsorship, BNZ was required to run a national fundraising campaign with a target of raising NZ \$3 million throughout its 385 outlets nationwide and building up a national consciousness of the event (*Ibid.*). Fay also needed to get a number of subsidiary sponsors on board. Fay also recognised the link between beer and sport's largest target market: 21-35 year olds, and thus sought a brewery sponsor for the boat. Lion Breweries offered the sponsorship through its most recognised international beer, Steinlager, donating 3 cents from every specially labelled can sold between April 1986 and the end of the racing in 1987 (Sefton: 117). Other New Zealand companies, such as Canterbury of New Zealand donated the crews apparel claiming, 'no firm could hope to buy the amount of television and worldwide coverage involved' (Eagles: 43).

By the time of the official launch on 30 November 1985, the budget had reportedly blown out to NZ \$14 million, with many feeling this was an extravagant amount to spend on a yacht race (Sefton: 118). Critics argued the money would be far better spent on youth sport or supporting Olympic athletes. Fay countered this by urging people not to look at the event as a sporting endeavour, but rather to look at it as an opportunity to promote New Zealand and with a potential \$1 billion plus return for New Zealand tourism if Bank of New Zealand Challenge was successful (Challenge 92 – New Zealand's Quest for the AC, 1992: 1). It was also an opportunity to show off Kiwi innovation and technology against some of the world industry leaders. Fay believed that New Zealand technology was as good as any in the world and the AC was the perfect place for New Zealand to prove this.

Over 25 000 people attended the launch, including a strong media contingent (Sefton: 118). The media in particular were in for a surprise when the yacht was lowered into the water. It was the first time that fibreglass was used in the construction of a 12-metre yacht (*Ibid.*).

New Zealand cruised through the early stages of the Louis Vuitton Cup and looked on course to push through to challenge for the AC (Rayner: 86). However, led by Dennis Conner who was now racing for the San Diego Yacht Club, a protest was launched against the New Zealand challenge, claiming it had an unfair advantage by using the fibreglass hull as it was more flexible in the water. The protest went largely unnoticed by the authorities but it was enough to rattle the New Zealand entry which never fully recovered and in the end lost to Conner's Stars and Stripes in the final of the Louis Vuitton Cup (Rayner: 86).

3.2.2 THE BIG BOAT CHALLENGE: 1989

Conner and Fay soon crossed paths again. Fay was now another wealthy man hooked by the AC. Angered by Conner's protest in Fremantle, Fay began to closely research the rules of the AC, in particular the 10-month challenge (Rayner: 88). The rule stipulated that anyone could challenge for the AC within 10 months of the prior AC's completion (*Ibid.*). It must be remembered that the challenger series, later the Louis Vuitton Cup, was not actually required. Fay also noted that under the deed of gift, reference was given only to the boat's minimum length, failing to stipulate a maximum length (*Ibid.*). Conner's San Diego Yacht Club received the challenge in July 1987 and as required, Fay had included the design plans of his super yacht, the likes of which had never been seen before. By completely changing the type of yacht evened out the odds of winning considerably, as it meant that Conner could not simply make improvement to the yacht he used in Fremantle. He also had the advantage of a head start in the design and building of the yacht, as Conner was ignorant of impending challenge. Conner duly replied by announcing that he would be taking up Fay's challenge and would be racing a catamaran (*Ibid.*). Fay argued that this was outside the rules and took Conner to court. The court reasoned that the best-of-three series should go ahead while the court decided on an outcome (Wilkins: 64). Conner easily won two-nil but was soon to learn that court had ruled in the Kiwi's favour so New Zealand now held the AC. An appeal soon saw the AC return to San Diego (Rayner: 88). The fiasco did little to enhance the AC's image as a sports event, with the overall result having little to do with a fair sporting contest. If the AC was to continue to market itself as a spectator sport, a number of changes needed to be made before the next regatta.

3.2.3 1992: THE CHANGING FACE OF THE AMERICA'S CUP

Following the 'glassgate' affair in Fremantle in 1986 and the 'big boat' race two years later it was decided that the traditional choice of yacht, the '12-metre', was becoming greatly outdated and a new boat should be introduced (Wilkins: 64). The introduction of the new class, the International AC Class (IACC) theoretically evened the playing field with teams unable to use boats and technology from prior campaigns. Additional to this, a further two rules were introduced to increase the spectator appeal of the AC. The first was a change in the course design, in an attempt to make the racing more visible and easier to follow (Rayner: 90). The second was the compulsory placement of two robotic cameras on each boat's keel to provide more footage for television crews (*Ibid.*). With the event being made more spectator-friendly and the funding of campaigns now coming predominantly from big businesses rather than wealthy individuals another rule change was made making it legal for boats to advertise during racing. Dennis Conner had first pushed the rule by flying the Diet Coke colours on his spinnaker in the 1988 big boat challenge (<http://www.time.com/time/magazine/article/0,9171,968427,00.html?iid=chix-sphere>). This coupled with new mandatory cameras, added appeal for sponsors by portraying new angles and spaces that opened up new advertising opportunities for the yachts. The rule changes were seen by some as an attempt to keep big businesses interested in yachting as more lucrative sponsorship deals appeared in other sports, but for many yachting purists it was a step too far from the traditions of the AC (Rayner: 90).

Fulfilling Fay's belief that New Zealand innovation was amongst some of the best in the world, it was a New Zealand company that was at the forefront of making the AC more spectator friendly. Otago Animation Research Limited developed an animation package that provided 3D graphics of the boats on a grid which tracked the line in which the boat had already travelled and the direction it was likely to continue to take (Back to Back Black Magic: 27). Before the technology was introduced, it was often difficult to understand exactly who was winning with no clearly defined boundaries on the racecourse. The technology revolutionised the potential of the AC by making it easier to understand for those with limited knowledge of sailing, hence significantly increasing the potential of the AC as a televised sporting event (*Ibid.*).

The introduction of the new yachts saw the expense of running an AC campaign increase considerably, with each new boat costing approximately US \$4 million, a significant jump in costs from 1987 (Rayner: 90). Fifteen teams were entered to race in the Louis Vuitton Cup in San Diego, but a global recession in 1991 meant corporate sponsorship was no longer as easily attained. By the time racing actually began, only 10 of the initial 15 entries were at the starting line (*Ibid*). The newly knighted Sir Michael Fay was once again back to challenge, and like many other teams, had found sponsorship more elusive this time.

3.2.4 TVNZ's LIFELINE TO CHALLENGE 92

In 1992, television in New Zealand was also undergoing radical changes, with TVNZ's monopoly of the television airwaves coming under serious pressure from the free-to-air TV3 and pay television operator, SKY Television. Of particular concern at this time was TV3, who were offering new commercial incentives to companies, meaning TVNZ was in line to lose a large portion of the advertising revenue it relied on. TVNZ had to devise a plan that would keep advertisers locked into TVNZ Channel One and Channel 2. It took the then head of TVNZ Julian Mounter to come up with a plan to keep advertisers with TVNZ using sport.

'You did not need to be a Kiwi born and bred to know that New Zealand is sports mad and sports brilliant. We had rugby and it produced great audience. After that cricket was important as were a number of other sports, but yachting was just coming to the surface as another major interest of the Kiwi public. Kiwis have more boats per head of population than any other country and with recent success in the Admiral's Cup and races in the United States, I was seeing more and more yachting in the New Zealand papers' - Julian Mounter (via e-mail correspondence).

Mounter theorised that TV3 would also recognise the importance of sport in attracting advertisers, so felt it was important to draw yachting to TVNZ. Mounter first devised a sponsorship scheme for the Round the World Yacht Race. At the time, TVNZ had a build up of 'unsold air time' that was of relatively little value, but could be used in the creation of a sponsorship deal. Mounter devised a plan to work as following:

‘If, say, Sponsor X gave Dalton \$1m towards his campaign for the Whitbread, and we gave the sponsor \$1m of unsold airtime, it would cost us nothing. But if we then said to the sponsor, ‘to do this deal, you will have to spend 10% more on advertising with us than you spent last year, everyone would win. The Kiwi yachting campaign would get sponsorship, we would get more advertising revenue than we would otherwise get and the sponsor would get a whole load of ‘free’ extra air time, equivalent to what they had put into the sponsorship.’

Due to the recession, a number of traditional big spenders on television advertising were finding themselves cash-strapped, so the deal had massive incentives for them. TVNZ was locking in advertising dollars that were not going to TV3 or SKY as few had the budgets to advertise on multiple networks. Yachts also had the advantage of a number of spaces for sponsors’ logos, which made the deal attractive, and arguably where yachting won and other sports missed out. Fay, a friend of Mounter at the time, heard of the plan and asked if a similar deal could be offered to his AC campaign. With a number of the recently introduced rules aimed at making the event more spectator-friendly, Mounter reasoned that the deal could certainly work for the AC. Offering such a deal had huge implications for the future of New Zealand’s involvement in the AC. As TVNZ is a State-owned enterprise, the Government was now assisting in funding an AC campaign. Essentially, sponsors were required to put \$2 million dollars towards the campaign and a further \$1 million towards advertising with TVNZ above and over what they already spent on advertising with the network. In return, they would receive \$3 million dollars worth of advertising, consumable over the following years. It did not have to be used during the televising of the AC. The primary sponsors that arose from the deal were Telecom, ENZA, Toyota, Steinlager and TVNZ. For putting forward such large sums of money, the sponsors wanted to see a substantial return, which led to TVNZ providing more hours of AC coverage than any other network in the world, including the official network sponsor, ESPN. Through Channel One, TVNZ offered over 200 hours coverage of the event, compared to ESPN which was offering only 145 hours of coverage (*Ibid.*). Beginning at the Louis Vuitton Cup stage, Channel One broadcast the final 20 minutes of each day’s racing live and a half-hour evening show of the day’s highlights (*Ibid.*). From the semi-final stage of the Louis Vuitton Cup, full live broadcasts were shown of

every race. With such a high amount of coverage of the AC, it was difficult to avoid in the public sphere.

3.2.5 THE 1992 CAMPAIGN

Fay became immersed in the AC and was taking no short cuts in what would be his last hands-on campaign to win the event. Again Fay went with designer Bruce Farr, who oversaw the design of four boats for the campaign, two for trials and two for racing (Wilkins: 64). The choice of Farr as designer proved to be a wise choice with New Zealand easily progressing to the final of the Louis Vuitton Cup (Rayner: 90). Everything appeared to be going to plan for the New Zealanders, but factions had begun to divide the team. Every position on the boat was competed for, in an attempt to get the best out of every sailor (Wilkins: 65). This proved to be counter-productive, particularly when helmsman choice came into question with many supporting the older more experienced Rod Davis, while others felt that the young Russell Coutts should have been given the job (*Ibid.*).

The 1992 campaign was also significant in that it introduced Peter Blake to AC racing for the first time. Blake had previously not been a big supporter of the AC, preferring the lure of open-water racing. He did not like the politics and wealth involved in the event, but despite this, he felt an obligation to become involved when approached by the head of Lion Breweries, Douglas Myers (<http://www.sirpeterblaketrust.org/sirpeterblake/americascup/amcup9295/>). Blake had risen to national recognition when he won the 1989-90 Whitbread Round the World Yacht Race (Wilkins: 65). Integral to his win was the sponsorship afforded to him by Lion Breweries through its Steinlager brand, so when approached by Myers he felt obliged to become involved (<http://www.sirpeterblaketrust.org/sirpeterblake/americascup/amcup9295/>). Enlisting Peter Blake was a wise move on Fay's behalf. Fay had done a brilliant job in bringing the AC to the middle-class, and if it were not for his public relations skills, the AC may have never grown into the national phenomenon that it became. However, Fay's name became tainted, due to some controversial dealings his company was involved in and people began to lose confidence in him and the New Zealand AC campaign.

Another distraction that New Zealand faced in the build up to the Louis Vuitton Cup final was the constant debate about the validity of the bowsprit on the New Zealand

boat. Many teams questioned New Zealand's use of the piece of equipment, but it was not until the Louis Vuitton final that court action was taken against the New Zealand team. Leading Italian boat *Il Moro di Venezia* 4-1 in the best of nine final, New Zealand looked to have all but booked its place to challenge for the AC (Rayner: 90). The New Zealand public certainly thought so with a reported 50 000 expected to be in San Diego for the final (*Ibid.*). Skipper of the Italian team, Paul Cayard, and owner, industrialist Raul Gardini, launched a court appeal against the New Zealanders (Wilkins: 66). The court battle proceeded at night with the racing continuing to take place during the day. New Zealand began to falter on the water, with *Il Moro di Venezia* staging a comeback. In an attempt to get things back on track, New Zealand decided to hand the helm to Coutts, but New Zealand's fine run of form evaded it at the most crucial part of the campaign, finally succumbing 5-4 to the Italians (*Ibid.*). The court was later to rule there was nothing wrong with New Zealand's use of the bowsprit. This was to be Fay's last foray into the world of AC yachting but he had left a strong structure for someone to take over.

3.2.6 THE 1995 AMERICA'S CUP

The 1995 event would see two New Zealand teams compete. Although Fay was no longer directly involved, the nucleus of the 1992 challenge was still together, headed by Peter Blake, campaigning under the name 'Black Magic'. The media coverage of the 1992 event had shown big business the amount of coverage their company could receive by having its logo brandished on the side of an AC yacht (Rayner: 92). The 1995 challenge also managed to keep on board a number of key sponsors, namely State-owned enterprises Lotto, ENZA and TVNZ. Once again, a similar deal was offered to sponsors through TVNZ, making Team New Zealand an attractive sponsorship package. With state-funded agencies lending their support to Team New Zealand, it would prove difficult for a second New Zealand entry to gain strong support in the public sphere. To have two New Zealand teams could prove detrimental, dividing public opinion and support, undoing the work of previous campaigns to unify the nation. However, with the odds stacked against them, this did not stop another group of New Zealanders from starting a second New Zealand campaign to compete in San Diego.

3.2.7 TAG HEUER

Fay's original skipper from the 1987 campaign, Chris Dickson, with the support of the man who first introduced Michael Fay to AC racing, Aussie Malcolm, ambitiously launched New Zealand's second challenge, Challenge NZ. In the world of AC yachting Team New Zealand operated on a modest budget, but it was still significantly larger than that of Challenge NZ. From the outset, it was difficult for Dickson to gain public support and the sponsors. In Peter Blake, Team New Zealand had someone who was regarded as a national hero, and who came across well in the media. Blake proved to have an astute business mind and, like Fay, was successful in getting big businesses sponsorship with the promise of unheralded international media exposure. In comparison, Dickson was regarded as being difficult and often unfriendly towards the media and following his departure from Fay's team after the 1989 campaign he had skippered the Japanese yacht Nippon in the 1992 campaign, seeing him become framed in part by the media as a traitor.

'Team New Zealand is portraying themselves as the legitimate national team by sporting a black boat with the silver fern, and Peter Blake is being portrayed as the all New Zealand hero in the fashion of all our sporting greats – the patriot who has always done it for his country unlike Dickson who has sailed for the Japanese' (Corbett, 1995: 66).

Managing-director of Dickson's challenge, Aussie Malcolm accepted there was not enough money to fund two teams and looked off-shore for sponsorship. Seeking sponsors abroad further ostracised Dickson from the New Zealand public. Challenge NZ could not hope to offer a similar deal to that what was being offered to the sponsors of Team NZ, so for the large part, potential local sponsors stayed away. Dickson finally found a naming rights sponsor in Tag Heuer, assisting Challenge New Zealand in managing to get to San Diego on a shoestring budget (*Ibid*).

3.2.8 VICTORY IN THE AMERICA'S CUP

Both New Zealand entries competed well in the Louis Vuitton Cup, successfully qualifying for the semi-finals. Team New Zealand was considered to be running on a conservative budget of US \$15 million so when it was said that Dickson was operating an even smaller budget, it was proved that money did not count for everything in AC racing (Rayner: 92). The semi-finals saw the end of racing for Tag

Heuer and Japan's Nippon. Team New Zealand continued to dominate, only dropping one race against One Australia in the Louis Vuitton Cup final, winning it for the first time, and in doing so qualifying to challenge for the AC.

Conner won the right to defend the AC by winning the defender challenger series. For the AC final, however, he insisted on chartering another team's yacht Young America, recognising that it was the boat with the best chance of beating Team New Zealand. The move proved catastrophic. Conner struggled with the unfamiliar boat (Wilkins: 71). New Zealand dominated, winning the best of nine finals series easily in five. In race 2, the winning margin was the largest since 1871 (*Ibid.*). After four challenges, New Zealand would finally be hosting the AC.

During the finals series, Team New Zealand also ran a massive public relations campaign to generate more support and funding from the New Zealand public. A journalist noticed that Blake always seemed to don the same pair of red socks when he was racing; in fact the only time he had not worn the socks the team lost to One Australia during the Louis Vuitton finals (Rayner: 92). This started a mass marketing campaign in New Zealand, with over 300 000 pairs of the red socks sold through Lotto outlets and half the proceeds going to the Team New Zealand campaign (*Ibid.*). The team was welcomed home, taking the 'auld mug' on tour and was greeted by massive crowds across the country (Wilkins: 71). Peter Blake later received a knighthood for, amongst other things, his efforts in bringing the AC to New Zealand.

3.2.9 REACTION TO TEAM NEW ZEALAND'S WIN

Black Magic's victory was presented as a victory for all of New Zealand. Prime Minister Jim Bolger was seen soon after the win heading towards the Wellington Yacht Club wearing his red socks and a cap emblazoned with the Steinlager logo, leading one columnist to write: 'Here in a single image was the essence of the AC; an almost seamless blend of sport, business and nationalism' (Evans, 2006: 142). The AC was portrayed as a tool to lift the national spirit and to assist in the strengthening of New Zealand society. One journalist, writing in *The New Zealand Herald*, went as far as writing: 'The Cup has come and in a sense so has New Zealand' (*Ibid.*).

Some were critical of the role played by TVNZ as the State broadcaster and the chief initiator of bringing together the sponsors that made the challenge viable in the first place. Some felt that neutral journalism had fallen by the wayside to make way for self-promotional coverage as TVNZ attempted to justify having put so much time and resources into its coverage, particularly considering the involvement of more than one New Zealand team.

‘This was not an independent sporting contest on which TVNZ journalists were reporting from a position of impartiality; it was their company’s own project. And the success of that project depended on TVNZ’s privileged access to race coverage (to the exclusion of TV3) and on the audience ratings which could be generated by that coverage. This in turn depended on TVNZ’s ability to transform an exclusive, arcane and inaccessible sport into a popular pastime. That is what made the Animation Research Ltd graphics package so important: it brought an offshore event into the living room in a form accessible to landlubbers. That was also the primary motivation behind the red socks campaign; not to raise money for Team New Zealand but to make a profit for TVNZ. Behind all the hype lurked the almighty dollar. There was nothing spontaneous about any of this, it was a corporate marketing exercise from start to finish.’ (Atkinson, 1995: 41)

For TVNZ the payoff for putting so much time and resources into the event were the benefits to be reaped from playing host broadcaster to the next AC due to be held in New Zealand and potential profit from merchandising. As Atkinson (41) identifies, the role of the AC had been two-fold. On one hand, it was a tool for creating communal identity, while on the other, it was a victory for commercial exploitation.

3.2.10 THE AMERICA’S CUP IN NEW ZEALAND

With the next AC scheduled for New Zealand, many began to anticipate what they had been promised the AC would deliver to the country. Work began on building a suitable hub for the AC in Auckland’s Viaduct Basin, a once dilapidated section of waterfront. The redevelopment bought new cafés, bars, restaurants, up-market apartments and boutique clothing stores (Becht, 2002: 24). It also saw the building of

suitable bases to accommodate all the teams expected in Auckland and a marina big enough to host the number of super yachts expected. The completed complex was named the 'American Express New Zealand Cup Village'. Business people who opened enterprises in the Viaduct were optimistic, while remaining cautious, aware that New Zealand's failure to retain the AC could see them close down overnight (McCormick, Feb 18 2000: *New York Times*).¹

Sir Peter Blake managed to retain the bulk of the 1995 team and in particular the people who had been central to New Zealand's success, such as Russell Coutts and Brad Butterworth. The rest of the yachting world responded well to the move to New Zealand, with 11 challengers making the trip down under to compete for the right to challenge for the AC (Becht, 2002: 29). Integral to the event's success were the people who appeared in Auckland such as Dennis Conner and Paul Cayard, the personalities that make the AC what it is. A number of new faces also appeared, such as Italian Patrizio Bertalli of the Prada dynasty. Rather than relying on commercial sponsorship, Bertalli instead funded the campaign himself through Prada, of which he was the chief executive officer. At the end of the Louis Vuitton Cup, it came down to Bertalli's Team Prada against America One, with Team Prada winning 5-4, leaving them to challenge Team New Zealand for the AC (Rayner: 94). The AC turned out to be one-sided with Team New Zealand retaining it in a clean sweep. Team New Zealand was to undergo some immediate changes at the completion of the 2000 defence with Sir Peter Blake and Alan Sefton ending their affiliation with the regatta to move on to other projects. More were to follow before the next defence (<http://www.sirpeterblaketrust.org/sirpeterblake/americascup/amcup9295/>).

Financially, the regatta lived up to expectations, with Auckland in particular benefiting greatly from its presence. It was estimated the AC added New Zealand \$640 million to the New Zealand economy, NZ \$473 million was injected into the Auckland region alone (Becht, 2002: 60). Other statistics showed that super yacht owners spent NZ \$118 million, and other tourists who included the AC as one of their reasons for visiting New Zealand, NZ \$164 million (*Ibid.*). Tourism New Zealand

¹ These fears came to nothing with business remaining steady after New Zealand did in fact lose the hosting rights after 2003. The AC had simply worked as a catalyst in reinvigorating a run down part of Auckland's CBD with punters continuing to frequent the Viaduct.

believed New Zealand as a whole had benefited, citing that some 39 000 visitors came to New Zealand during the event with many going on to visit other destinations around the country (Becht, 2002: 62). From a media perspective, a contingent of 1600 – two-thirds of that from overseas - covered the event, reaching an estimated audience of 400 million over 98 countries with over 1500 hours of television coverage (*Ibid.*). TVNZ believed its sponsorship of the Team New Zealand effort in previous years had been beneficial to them, by receiving the hosting rights to the Auckland regatta. Other national media would also benefit, with *The New Zealand Herald* given the status of the official newspaper of the AC.

Having a media organisation as a yacht sponsor in the race caused a great deal of controversy during the 2003 event. The United States' broadcaster ESPN was unhappy that Young America was sponsored by an opposition network, Rupert Murdoch's Fox Sports Net. ESPN had paid NZ \$8 million for the rights to broadcast the event, while Fox had negotiated a million dollar deal to have the Fox logo featured on the spinnaker of Young America. Team New Zealand was also advised against appearing on a sport's chat show TAB Sport's Café as it was run by opposition broadcaster SKY and was sponsored by the betting agency TAB which was considered to run in direct competition to Team New Zealand sponsor, Lotto.

3.2.11 THE 2003 DEFENCE

The team that lined up for the 2003 defence was barely recognisable from the team that had defended the AC four years prior. Brad Butterworth and Russell Coutts had defected to newly formed team Swiss-based team Alinghi (Becht, 2002: 4). The episode had received widespread media coverage with the former national heroes being framed as 'traitors and enemies' (Rayner: 96). A further two-thirds of Team New Zealand defected to other syndicates for the 2003 challenge. The rule regarding citizenship had come to mean little as Team New Zealand's ranks became seriously depleted. The pay packets being offered to some of the sailors were comparable to those of their rugby or football counterparts (*Ibid.*). Questions also began to arise in the public as to why they should support Team New Zealand when it had lost what had made the team distinctively 'Kiwi'. The 2003 campaign focused around a LOYAL theme in an attempt to retain New Zealand support. It is ironic that the campaign had a nationalistic motto in an event in which loyalty and nationalism had

faded (*Ibid.*). Tom Schnakenberg took over the late Sir Peter Blake's job as head of Team New Zealand and Coutt's understudy in 2000, Dean Barker, became the helmsman for the new campaign (Becht, 2002: 40).

The 2003 campaign once again attracted a large field of entries from around the world with two notable new entries. Alinghi from Switzerland was headed by pharmaceuticals billionaire, Ernesto Bertarelli (Tayman: 62). Eight members of the Alinghi crew were New Zealanders (Becht, 2003: 5). BMW Oracle from the United States was headed by computer software billionaire Larry Ellison (Becht, 2003: 13). Although Ellison rarely appeared on land in Auckland, his presence was known by the mooring of his super yacht, at the time the largest in the world. After a relatively controversy-free regatta in 2000, the 2003 campaign was surrounded by it. Central to this controversy was American entrant One World which was first docked points for allegedly buying design plans of a former Team New Zealand employee, before a protest by Dennis Conner saw it penalised again for improper conduct (Becht, 2003: 10). Alinghi cruised through the Louis Vuitton Cup with ease, beating the other newcomer BMW Oracle in the Louis Vuitton Cup final 5-1 (Becht 2003, 34). Reports estimated that BMW Oracle had spent over US \$85 million on its campaign, with the German car manufacturer BMW putting up approximately US \$40 million alone (http://www.nzherald.co.nz/section/4/story.cfm?c_id=4&objectid=2096985). With BMW choosing to sponsor the Ellison team, a German team that had hoped to get the backing of their national car manufacturer was forced to pull out. Alinghi reportedly spent US \$60 million, both sums far greater than that of New Zealand's reportedly modest budget (<http://archives.cnn.com/2002/WORLD/sailing/07/26/alinghi.spt/index.html>).

The Swiss syndicate proved to be far too strong for the New Zealanders, easily sailing to a 5-0 clean sweep. What was even more embarrassing for Team New Zealand was that it twice failed to finish races after significant gear failures (Rayner: 96). By winning the event, the yacht club Alinghi was representing, Societe Nautique de Geneve, was theoretically not allowed to race in the AC again (*Ibid.*). The deed of gift stipulated that any landlocked yacht club that attempted to win the AC would be banned from entering any further regattas, as had been the consequence for the Canadian yacht challenge from the Great Lakes in 1881 (*Ibid.*). However, Bertarelli, as he was

well within his rights to do as defender, changed the rules so his team could indeed defend the AC, seeing the AC return to Europe for the first time since its inception.

PART THREE: THE 2007 CAMPAIGN

3.3.1 DEVELOPING THE AMERICA'S CUP IN EUROPE

Many welcomed the ACs return to Europe after the 151-year absence. Those involved in marketing the AC lamented the fact that the two previous regattas had been raced in Auckland, arguing that because of time differences, many businesses did not consider becoming involved in AC sponsorship (Carvajal, *International Herald Tribune*: April 6 2007). The event failed to capture a substantial live audience which hindered its ability to entice advertisers. Organisers believed they would be able to capture a larger television audience by having the regatta in Europe, which they believed would enhance the AC's chances of securing long-term sponsorship (Ash, *The New Zealand Herald*: June 3 2007).

3.3.2 AMERICA'S CUP MANAGEMENT AND A CHANGING OF THE RULES

Relocating to Europe was not the only major change that the AC underwent leading into the 2007 event. Alinghi owner, Ernesto Bertarelli set up an independent company, America's Cup Management, that was commissioned 'to coordinate promotion of the AC, strike television deals, arrange revenue sharing and oversee the venue' (Tayman: 62). Although the company was independent of Alinghi, it was headed by former Alinghi manager and long-time Bertarelli friend Michael Bonnefaus. The rest of America's Cup Management's board also had close ties to Alinghi (*Ibid.*). In winning the 2003 event, one of Bertarelli's key visions had been to transform the AC into an event that could financially support and run itself, similar to Formula One (Lewis, *The New Zealand Herald*: June 29 2007). Part of promoting the AC was the introduction of a number of acts leading up to the Louis Vuitton Cup. The acts were held at various European locations in an attempt to expand the fan base of AC racing whilst also increasing the appeal for sponsors with a guarantee that the yachts brandishing their logos would appear more often than every four years and in more locations (*The Australian*: July 05 2007). Points accrued from the acts contributed to a team's ranking going into the Louis Vuitton Cup. Bertarelli envisioned the acts as expanding the appeal of the AC.

‘It’s more like a road show, like a Formula One thing, but with more than a long weekend, and that offers sponsors a powerful way to benefit from it’ (Tzortzis, *International Herald Tribune*: September 05 2005).

These changes, however, did not sit easily with everyone; in particular long-time sponsor Louis Vuitton. Since becoming involved in the AC as the naming rights sponsor of the qualifying regatta, Louis Vuitton also been a major sponsor of the AC proper. Louis Vuitton also had the rights to communicate the event to the world, a privilege it forfeited when America’s Cup Management took over the complete control of running the regatta (Reuters, *The New Zealand Herald*: June 30 2007). As the campaign continued, it became apparent that Louis Vuitton would not remain involved in the AC if Alinghi managed to retain it, citing differences in how the two parties envisioned the future of the AC. The man responsible for running the Louis Vuitton Cup on behalf of Louis Vuitton, Bruno Trouble made it clear in an interview that he did not want to see an Alinghi victory.

‘Of course I want Team New Zealand to win. This time things are getting ridiculous. Last time in Auckland, the organisational costs of the AC were 25 million. This time 250 million - 10 times more’ (Lewis, *The New Zealand Herald*: July 1 2007).

The organisational costs of 25 million translated into NZ \$43.7 million. Louis Vuitton claimed it wanted to expand the AC brand globally, but it wanted the event to maintain its ‘elitist’ stature along the way, something that attracted fellow luxury brands Prada and BMW to sponsoring teams (Reuters, *The New Zealand Herald*: June 30 2007). For further commercialising the event and attempting to increase its target market, Louis Vuitton accused America’s Cup Management of moving too far away from what the AC is traditionally about. It believed that the ‘elitist’ and ‘rich man’s sport’ labels often attributed to the AC was what made it popular and unique. As a stand-alone entity, the AC had never profited financially, with not only the teams, but the AC itself relying on sponsors’ money to exist. Bertarelli intended to change this, attempting to turn the AC into a profitable entity that could run exclusive of funding from the competing teams. This did not sit well with Trouble who said:

‘The day we get a pizza company with its brand on the mainsail of a competing yacht, that is the end of the AC as it is now.’

(Lewis, *The New Zealand Herald*: July 01 2007)

In prior AC campaigns, a nationality rule required team members to reside in the country of the yachting club they were representing for a minimum of two years (Tayman: 86). By adhering to these rules, a number of New Zealand sailors had sailed in the AC previously under the flag of a foreign nation. However, if Bertarelli's ambitions to have the AC held every two years were to go ahead, it would impede a sailor's ability to change teams. To fix this, Bertarelli got rid of the nationality rule. This resulted in a situation in which some teams were merely 'national' in name with any number of nationalities present on their boat. For example, most represented nationality onboard BMW Oracle from the United States, was New Zealand (*Ibid.*).

3.3.3 THE CHOICE OF HOST CITY

Various coastal cities throughout Europe applied for the hosting rights to the AC. In the end, the Spanish port city of Valencia was chosen. Those that missed out were given the chance to host the proposed acts. As part of winning the rights to host the AC, Valencia not only agreed to renovate the city waterfront to accommodate the AC but also paid NZ \$150 million for the hosting rights (Lewis, *The New Zealand Herald*: June 29 2007). One of the reasons Bertarelli chose Valencia was that Valencian authorities were in discussion with Formula One bosses to become the new hosts of the European Grand Prix, with plans to build a street circuit for the event that would travel through the AC base (*Ibid.*). On Valencia's part, it was a massive gamble, as there was no guarantee Alinghi could retain the AC or that whoever happened to win the AC would host the next event in Valencia. With the first Grand Prix not proposed to go ahead in Valencia until 2009, there was every chance that Bertarelli's vision of the European Grand Prix and the AC racing going ahead in the same place simultaneously would never occur (*Ibid.*).

3.3.4 EMIRATES TEAM NEW ZEALAND: ATTEMPTING 'TO BRING IT HOME'

Following the unsuccessful 2003 defence, Team New Zealand found itself struggling to establish a team to travel to Valencia. The team was depleted of both key crew members and sponsorship. The first task was to develop a new leadership structure that would hand one person the responsibility of overseeing all facets of the campaign, a job that was given to Grant Dalton. Like Blake, Dalton had experienced

success in the Whitbread Round the World Race and was a well-recognised figure and Team New Zealand believed this would assist in regaining public confidence and support for the team (<http://www.sailing.org/news/6298.php?PHPSESSID=e6f0>).

One of Dalton's first tasks was to find sufficient funding to get Team New Zealand to Valencia. The only major sponsor to stay with the team was Toyota, but its sponsorship alone was not enough to keep them afloat. Added to the issue of finding new sponsors was the amount of money that would now have to be spent if Team New Zealand was to have a realistic chance of winning back the AC. Considering the cost of running a successful AC campaign was now estimated to be somewhere between US \$40 million to \$50 million, few New Zealand companies had the marketing budgets to even consider becoming a major sponsor (Tzortzis, *International Herald Tribune*: September 5 2007). For previous campaigns, TVNZ had been able to set up a system that attracted local sponsors by offering cut-price advertising space. However, changes at TVNZ and funding cuts meant that setting up such a deal for the 2007 campaign was out of the question. This meant that Dalton would have to look abroad for sponsors.

3.3.5 NEW ZEALAND GOVERNMENT ASSISTS TEAM NEW ZEALAND

With the New Zealand entry appearing in serious doubt, it was the New Zealand Government that came to the rescue, offering NZ \$33.75 million to the Team New Zealand on the condition that for every \$1 of public funding given to Team New Zealand, \$2 would be raised from the private sector. The money given to Team New Zealand did not come from the Government's sport and recreation funding agency SPARC, but rather it was a joint venture between New Zealand Trade and Enterprise and Tourism New Zealand (Tunnah, *The New Zealand Herald*: May 9 2003)

The move by the New Zealand Government prompted Yachting New Zealand to release a statement urging the public not to be confused by the funding being given to Team New Zealand and the funding being given to yachting in New Zealand as a whole. Yachting New Zealand board chairman, Arthur Stewart stressed that the public must realise that the Government's decision to back Team New Zealand was a decision based on the trade and tourism benefits of having a New Zealand entry in the

AC. Stewart certainly felt no ill toward the Government supporting Team New Zealand:

‘We support the Minister for the AC and Government’s principle to invest on a commercial basis in New Zealand based challenges for the AC. The cup has far greater potential to bring trade and tourism return than any other international event New Zealand sport participates in’ - Arthur Stewart (<http://sailingnews.org/news/6392.php>)

3.3.6 THE IMPORTANCE OF HAVING A NEW ZEALAND TEAM IN VALENCIA

Soon after the Government’s injection into Team New Zealand, more funding was to follow from a less likely source. Alinghi boss Ernesto Bertarelli came to New Zealand’s aid with a ‘no strings attached’ loan (Masters, *The New Zealand Herald*, July 31 2004). The loan came from Bertarelli’s own pocket and had nothing to do with Alinghi or America’s Cup Management. The reason for offering the loan to Team New Zealand was because he feared the event would lose some of its aura and level of competition if Team New Zealand was not able to raise the required funds to sail in Valencia (*Ibid.*). Some other syndicates were critical of Bertarelli’s moves, stating that Team New Zealand was not the only campaign struggling to raise the funds to sail in Valencia and just because Team New Zealand had held the AC before, they should in no way be given preferential treatment from Bertarelli (*Ibid.*). Closer to home, team boss, Grant Dalton received widespread criticism for accepting the loan, with many concerned that the money the Government had put into Team New Zealand would be used to repay the loan. The Government was quick to react, stating that a clause that went with the funds would stop this from happening (Tunnah, *The New Zealand Herald*: August 2 2005).

3.3.7 PRIVATE SECTOR SPONSORSHIP FOR TEAM NEW ZEALAND

The signing of the international airline Emirates as the naming rights sponsor provided the required level of private sector investment for the Government to fully commit to its deal to sponsor Team New Zealand. At the time, Emirates was expanding the number of flights it offered to New Zealand and saw benefits in sponsoring Team New Zealand to increase brand awareness (Daniels, *The New Zealand Herald*: June 15 2004). In a sign of the changes that sport was undergoing in

a globalised world, Team New Zealand was effectively being re-branded with the name of another country's airline. Although companies that originated from abroad, with Toyota being the most obvious example, had often sponsored Team New Zealand, it was the first time that a foreign company had been naming rights sponsor. As part of the sponsorship agreement, Emirates had hoped to have Emirates Team New Zealand based in Dubai for a significant period leading up to the AC. However, the Government's agreement with Team New Zealand required it to be based in Auckland.

Following the signing on of Emirates as the naming rights sponsor, the fourth and final major sponsor, Spanish brewery Estrella Damm was also signed (NZPA: June 14 2005). Not using a New Zealand beer, such as Steinlager, which had sponsored campaigns in the past, the signing of Estrella Damm saw Team New Zealand take on a sponsor with a limited interest in the New Zealand market. However, being one of Spain's leading breweries, it saw significant benefits in having a presence in the first AC to be held in Europe in over 150 years and the first AC challenge held in Spain (Reuters: June 30 2007).

Emirates Team New Zealand also took on 104 second-tier sponsors, a significant number of whom had their business interests focused in New Zealand. These sponsors were recognised on a placard outside the Emirates Team New Zealand base.

Thirty businessmen of both foreign and New Zealand nationality also contributed to Emirates Team New Zealand in a figure believed to be in the high millions. For the most part these people remained anonymous but one who did become known through newspaper interviews was Swiss - Italian billionaire Matteo de Nora (Phare, *The New Zealand Herald*: May 13 2007). Rather than backing any of the four teams from his two native countries, De Nora had instead lent his assistance to Emirates Team New Zealand, after falling in love with the country during the 2003 regatta. He sponsored the team through direct funding; the use of his super yacht which Emirates Team New Zealand used to entertain guests; and through the use of his chemicals company whose expertise is in batteries. De Nora had some made for the team as a weight-saving exercise (*Ibid.*). In acknowledgement of his contribution to the Emirates Team New Zealand effort, de Nora was given the special privilege of paddling on the

Maori waka that escorted the Emirates Team New Zealand yacht to the start line on the first day of racing. As part of the experience, de Nora's face was painted with a full moko and he was also given a briefing on Maori protocol (*Ibid.*).

3.3.8 SAILING FOR BUSINESS OR COUNTRY?

In the past 20 years New Zealand has experienced an exodus of New Zealanders from a range of professions in a phenomenon commonly referred to as the 'brain drain' (Boshier, 2004: 4). The lack of opportunities available to skilled and educated labour within the country, coupled with the wages offered abroad has seen New Zealanders move overseas for employment opportunities (*Ibid.*). With the nationality rule gone, the presence of so many New Zealand sailors in Valencia sailing for foreign teams was merely reflective of other facets of New Zealand society. This can be analysed in two ways. On the one hand, having so many Kiwis racing in Valencia could be a consequence of New Zealand producing so many top class sailors. On the other, it could be a matter of where the aspirations of sailors in other countries lie. In New Zealand, the extensive media coverage given to the AC compared to other forms of yachting, places the AC as the highest echelon of sailing for a young sailor in New Zealand to aspire to. Gary Jobson, An American journalist who travelled to Valencia to report on the AC had attended the United States college nationals a fortnight prior. He was surprised to learn that from the 300 plus sailors there, few had aspirations to race in the AC, with their ambitions focused on other forms of sailing (Jobson, *Sailing World*: September 7 2007). In the United Kingdom, a similar situation existed with young sailors' ambitions being focused more on representing their country at the Olympics.

For foreign sailors onboard Emirates Team New Zealand such as Brit Ben Ainslie, the repeal of the nationality rule worked to his advantage; he was able to realise his dreams of competing in the AC, even with the absence of a British team and continue representing Great Britain at the Olympics in sailing. A number of New Zealanders sailing for other teams felt that Emirates Team New Zealand was no more a New Zealand team than some of the other teams such as BMW Oracle which had 73 New Zealanders on their staff, including CEO Chris Dickson (Crewdson, *The Dominion Post*, May 5 2007). One sailor onboard BMW Oracle, Craig Monk reasoned that he had served his time with Team New Zealand and had won an Olympic medal for New

Zealand and by going to BMW Oracle he was not turning his back on New Zealand but simply making a professional decision (*Ibid.*). Another New Zealander to share similar sentiments was Alinghi crew member Dean Phipps. After he left Team New Zealand for Alinghi in 2000, Phipps believed he and the other four sailors that left Team New Zealand were labelled differently in the media to former All Blacks who had gone abroad to continue their rugby careers (Ash, *The New Zealand Herald*: May 19 2007). Although racing under a different country's flag, Phipps still considers himself a Kiwi and even went as far as flying the Maori sovereignty flag from the Alinghi base when a Maori cultural group visited Valencia.

'We are just New Zealanders. Grant [Dalton] likes playing the New Zealand card but let's have a look where he is from: that could be interesting. I am probably more New Zealand than he is, being a native, being part-Maori' – Dean Phipps (*Ibid.*).

In the face of such criticism Dalton remained staunch:

'If you're a Kiwi and you're working for Oracle, for example, you're in the process of trying to take it [the AC] to San Francisco. It just ain't the same' – Grant Dalton (Crewdson, *The Dominion Post*: May 5 2007).

3.3.9 EMIRATES TEAM NEW ZEALAND: THE BRAND

In the professional era of team sports, fans will typically have an allegiance to one team with little regard to the nationality, birthplace or ethnicity of those in the team as long as they are winning. In a sport that has cut its ties with nationalities by disbanding a nationality rule, Emirates Team New Zealand has gone from being a national entry to becoming a brand, whose main goal is to return the AC to New Zealand.

As the content analysis undertaken for this thesis shows in chapter 4, Emirates Team New Zealand continued to be framed by the New Zealand media as a national team. The public relations associated with each campaign have set out to achieve the same thing: Frame Team New Zealand as the national team for which the support of the entire nation is paramount. Indeed the motto used by Emirates Team New Zealand in Valencia was 'bring it home' as if the AC did in fact belong in New Zealand. Even in 1995 when two New Zealand challenges went to San Diego, it was the team and brand that Fay had started in Fremantle that continued to gain the support of the

nation, with the new team led by Chris Dickson failing to capture the same support afforded to Black Magic. The Team New Zealand brand is currently the longest-running team in AC racing.

3.3.10 SPONSOR'S FEEDBACK

Emirates was pleased with the amount of coverage it was receiving in the media through its affiliation with Team New Zealand, stating that the Team New Zealand boat emblazoned with the bright red Emirates logo 'characterised the airline's bold marketing and sponsorship approach' (Reuters: June 30 2007). Emirates also recognised the importance of retaining a similar structure and talent between campaigns, and was confident it would continue to sponsor Emirates Team New Zealand, regardless of results in Valencia. The Estrella Damm bar in the Valencia AC village proved popular, believed to be in large part due to the successes of Emirates Team New Zealand on the water.

Often criticised for, as one journalist put: 'chucking money at a yacht race', the role of Tourism New Zealand and New Zealand Trade and Enterprise in Valencia was often misunderstood, due in no small part to a lack of information regarding their roles in Valencia in mainstream New Zealand media (Crewdson, Dominion Post, June 11 2007). One publication that did acknowledge the role of the two in Valencia was industry magazine, *New Zealand Marketing Magazine* (July 2007). Prime Minister Helen Clarke was quoted in an article as saying that through the AC 'not only our sporting profile is raised in Europe, but our overall national brand as well' (Halyer-Donaldson, July 2007: 17).

New Zealand Trade and Enterprise commissioner-general Jane Cunliffe likened the role of the Government in Valencia to that of the major corporations that were sponsoring the other teams (*Ibid.*). An event such as the AC is renowned for attracting the rich and famous, something that the New Zealand Government exploited by hosting them in the Team New Zealand compound and giving New Zealand business people the opportunity to rub shoulders with influential business people from around the world. VIP guests of the Government in Valencia were given the opportunity to watch the racing from onboard one of the Emirates Team New Zealand spectator boats, and exclusive access to the Emirates Team New Zealand base. Cunliffe

believes that the AC is one of the ‘premier corporate hospitality gigs in the world’ (*Ibid.*). It was estimated that over 550 guests were entertained at the Emirates Team New Zealand base over the course of the campaign. The base itself was central to the image that New Zealand Trade and Enterprise was attempting to portray in developing an awareness of the brand ‘New Zealand’, with the entire base apart from the shell, being constructed from New Zealand-acquired materials. Between 50-60 New Zealand brands were invited to Valencia to meet with the foreign guests being entertained at the New Zealand base (*Ibid.*: 18). The brands selected came from a wide range of industries including winegrowers, the boating industry and secondary school representatives. The campaign was run with two objectives. The first was to raise the profile of New Zealand as a technologically and innovative nation while the second was to further relationships that would increase trade.

‘We will see some deals but it could also be about accelerating deals, increasing magnitude. Setting up meetings and so on’ – Jane Cunliffe (Helyer-Donaldson, July 2007: 18).

3.3.11 GENERAL INTEREST IN THE AMERICA’S CUP

For an event such as the AC, it is difficult to measure the level of interest in the event based on the people attending the racing. With the racing taking place outside of a stadium, it was difficult to measure how many people were watching. This led to mixed reports about the level of interest in the AC in Valencia. From a New Zealand perspective, some claimed that only affluent Kiwis travelled to Valencia to watch the racing, while other reports claimed there was a large contingent of New Zealand backpackers who had included Valencia in their travels to watch some of the AC (Deane, *The New Zealand Herald*: April 14, 2007). When Emirates Team New Zealand took a 2-1 lead in the AC against Alinghi, interest in New Zealand reportedly increased dramatically with thousands adding their names to a ‘virtual waka’ that was presented to Emirates Team New Zealand following the event (Dye, *The New Zealand Herald*, June 28, 2007).

Although there were numerous reports of the AC receiving increased media exposure, it did not challenge the established European sports for television coverage across the continent. In a study of television spectatorship across 17 European countries for the year 2007, any one AC race did not manage to appear in a list of the top 100 most

watched sports events of any of the countries (Speight: tvsportmarkets.com). At least one European channel pulled their live coverage of the event after a number of delayed racing days (Ash, personal interview). As the racing was taking place during prime time for television they could not afford to schedule for the event for a number of days on end with no sailing. In New Zealand, the yachting on television at the AC stage received mixed audiences. If Emirates Team New Zealand won the previous race then the number of people who tuned in to the following race significantly increased. Race 3 of the AC happened to take place at the same time as an All Blacks test match (*The New Zealand Herald*: June 26 2007). Keeping in mind that the yachting was on free-to-air television whilst the rugby was broadcast on pay television, 75 000 people on average watched the rugby in Auckland compared to an average 66 800 people who tuned into the yachting. However, in the South Island the scales were tipped significantly more in favour of the rugby with 34 300 tuning into the rugby and just 16 700 tuning into the yachting (*Ibid.*).

3.3.12 THE SAILING

After the fickle winds that plagued the early stages of the Louis Vuitton Cup passed, Emirates Team New Zealand proved to be one of the leading contenders. Qualifying for the Louis Vuitton Cup semi-finals as top qualifiers, Emirates Team New Zealand was able to pick whom it wished to race, choosing fourth seeds Desfaio Espanol. Although losing two races, Emirates Team New Zealand made it through to the Louis Vuitton Cup final with relative ease, taking the series 5-2. Here they met Luna Rossa which advanced by defeating BMW Oracle in the other semi-final. Emirates Team New Zealand once again proved its strength, whitewashing Luna Rossa 5-0 to win the Louis Vuitton Cup. The AC proved to be one of the closest and most exciting ever. After going down 1-0, Emirates Team New Zealand rallied back to take a 2-1 lead, making a number of people believe they had what it would take to win back the AC. It was not to be as Alinghi surged back to win the next four races, with the deciding race won by only one second. It meant that Alinghi retained the Cup and would preside over how the next regatta would be run. The predictions made by one commentator if Alinghi were to win now seemed a reality:

‘The cup will likely continue on its new Formula One inspired path, with nationality becoming increasingly irrelevant and corporate sponsorship and the quest for mass audiences remaining the priorities.’ – anonymous

yachting commentator (Roughan, *The New Zealand Herald*: June 23 2007).

4. METHODOLOGY

4.1.1 INTRODUCTION

A major component of this study was the analysis of stories relating to the AC that appeared in four of New Zealand's major daily newspapers between April 2, 2007 and July 15, 2007. Every story that related to the AC in the dailies was recorded taking into account the theme, length, author, sources and presentation of the stories in the newspapers. The stories were then analysed to see if patterns emerged in the way that the dailies presented their coverage of the AC.

4.1.2 THE CHOICE OF NEWSPAPERS FOR ANALYSIS

For this part of the study, New Zealand was divided into the four regions covered by the four metropolitan dailies. In September 2007, each of the four dailies had a readership of over 40 000, placing them in the top five most-read New Zealand dailies (New Zealand Media 2007, 2008: 179). Between the four, they also represent the three companies that own the nation's eight largest dailies (Ibid.). The four newspapers are *The New Zealand Herald*, *The Dominion Post*, *The Press* and the *Otago Daily Times*. The newspapers are of a similar size, taking into account different supplementary sections run throughout the week. Letters to the editor of all papers and a message board of support that appeared in *The New Zealand Herald* were not recorded in the analysis. Some of the journalists also provided stories for their employee's Sunday newspaper. These have also been disregarded in the analysis.

During the period of the study, any stories that appeared in the four newspapers with any relevance to the AC or Louis Vuitton Cup were recorded and coded by the following details:

- Placement of Story
- Type of Story
- Length of Story
- Journalist
- Sources used by the Journalist

4.2 NEWSPAPERS

4.2.1 THE NEW ZEALAND HERALD

The New Zealand Herald's primary target market is the region north of Taupo, with Auckland making up a majority of the newspaper's readership. Owned by APN News and Media, it accounts for 28.1 percent of the daily newspaper circulation in the country, making it the country's most read daily newspaper. *The New Zealand Herald* is also available online at www.nzherald.co.nz. On 30 September 2007 *The New Zealand Herald* had a circulation of just under 195,000 newspapers. On the occasions that *The New Zealand Herald* produced a 3am edition to include the latest events from Valencia, the 3am edition was used in the analysis.

4.2.2 THE DOMINION POST

The Dominion Post has the second-largest readership of dailies in New Zealand with a circulation of just over 98,100 on 30 September, 2007. *The Dominion Post* is focused on Wellington but also circulates north into Taranaki and Hawkes Bay and south into Nelson. It is also one of two newspapers owned by Fairfax media that have been used in this study. Online, stories that appear daily in *The Dominion Post* can be found on Fairfax's online news website: www.stuff.co.nz.

4.2.3 THE PRESS

The Press has the third-highest circulation of New Zealand dailies, with its main readership in the Canterbury region, but also circulates from the Lakes District to Nelson. On 30 September 2007, *The Press* had a circulation of just over 89,000. It is owned by Fairfax Media and subsequently the stories that appear in the newspaper also appear online on www.stuff.co.nz.

4.2.4 OTAGO DAILY TIMES

With its main circulation in the Otago region, the *Otago Daily Times* is the southern most newspaper used in this study. Published by Allied Press, it is also the most significant independent daily newspaper in New Zealand. On 30 September 2007, the *Otago Daily Times* had a circulation of just fewer than 51,500, a slightly smaller circulation than Fairfax's *The Waikato Times*. The *Otago Daily Times* also places its stories online daily on its own website: www.odt.co.nz.

4.3 QUALITATIVE ANALYSIS OF STORIES

4.3.1 APPEARANCE OF STORIES

One of the key factors recorded was where the story appeared in the newspaper. Where an editor places a story is deemed by how much importance a newspaper places on particular news events.

A newspaper will typically place the most important news stories of the day on the front page, and will quite often include a human-interest story on this page. Following this, each section is arranged with the most important stories relating to that particular section on the section's front page, which in the case of sport is often the back page of the publication.

The newspapers often have different names for each of their sections, but generally, similar sections convey the same type of stories. Each section has been given a general name which best covers the section of the newspaper which the analysis is referring to, seeing the 'placement of stories' being classified under the following headlines:

- Front Page
- Section 'A'
- Business
- Sport
- Friday Sport lift-out
- Front Page Sport
- Editorial
- Magazine

Section 'A' is the general news section, which includes the front page. The two have been separated as stories that appear on the front page are deemed to carry greater news value than those that appear inside this section. They are typically the first stories noticed by the reader. The sports section has been broken down into three categories. It has been hypothesised that most of the stories on the Louis Vuitton Cup and the AC will appear in this section so it is important to make a distinction between stories that appeared on the front page of the section or inside it. In the case of *The*

Press and *The Dominion Post*, the sport's section – Saturdays aside – is the final section of the newspaper, with the back page of the newspaper acting as the front page of the sport's section. These stories have been recorded as appearing on the front page of the sport's section. Three of the four newspapers analysed also carry a Friday pull-out section. This section opens up extra column centimetres for sports stories and allows for more in-depth and more human-interest stories. This section has been labelled separately from the sports section to acknowledge that the three dailies carrying this section had significantly more space available to them to report sports stories. The Friday sports lift-outs are usually adorned with a full-page picture on the front page. If the picture related to the AC it was duly recorded.

4.3.2 TYPE OF STORY

For this part of the analysis, stories were categorised according to the main theme of the story. The categories are relatively broad but discretion was used in the classifying of some stories. The AC is often deemed to be much more than just a sports event, with the actual racing just a small part of the complete package. The classification of stories based on their theme assists in confirming whether the AC is about more than yacht racing, as reflected in the New Zealand media coverage of the event. This part of the research focuses on 10 types of stories that appear more than four times in at least two of the four newspapers. The categories are:

- Sport
- Sport / Politics
- Interviews / Profiles
- Sport / Business
- General / Human Interest
- Editorial Opinion
- Expert Opinion
- Tables
- Photographs
- Cartoons

Sport refers to any stories that had a direct link to the racing aspect of the Louis Vuitton and AC. This includes match reports, and pre and post-race analysis. It is expected that the majority of the stories would fit into this category.

The section Sport / Politics carries two types of political stories. The first relates to the political wrangling and courtroom battles that took place between the competing teams in Valencia. The second refers to stories that related to the New Zealand Government involvement in the AC.

Profiles / Interviews are stories that profiled people, or interviewed people involved in the AC, for example a profile of Emirates Team New Zealand skipper Dean Barker.

The category Sport / Business includes stories on the AC with a business aspect to them. An example was a story that discussed the benefits that come from sponsoring an AC syndicate.

The General / Human-interest story category takes into account stories focused on aspects of the AC away from racing. This category included such stories as the lifestyle in Valencia and the glitz and glamour surrounding the event. As the four dailies analysed focus on particular regions, there was also the possibility that the newspapers would pick up on stories of people or activities in their particular region.

Newspapers tend to employ weekly columnists or have journalists on their payroll who produce a weekly column. Often, the opinion shared by the newspaper as expressed in its editorial can differ from that of the columnist but the columns are still an important part of the newspaper. These weekly columns have been classified as editorial comments, regardless of where they appear in the newspaper. The comments can also cover a number of aspects of the AC, whether it is the funding of Emirates Team New Zealand, the television coverage or the merits of the AC.

Expert opinion remained a separate section from editorial comment due to the different style of the stories. Some of the newspapers employed a sailing expert to offer expertise on what was happening in the racing.

'Table' refers to any tables or diagrams that appeared in the newspapers, independent of any other stories referring to the AC. Most New Zealanders have a limited knowledge of the finer points of yachting so the tables and diagrams could include detailed pictures of the boats and the race course while the tables could include lists of some of the yachting terminology to give the public a better understanding of how an AC race operates.

During large news events, it is common for newspapers to carry photographs that hold relevance to the particular news event. Any photographs that appeared during the period of the analysis, that were not associated with articles have been given this classification.

The editorial page of all four newspapers features a political cartoon daily. It is expected that some cartoons would make satirical reference to the Louis Vuitton or AC.

4.3.3 NUMBER OF PARAGRAPHS

Recording the number of paragraphs dedicated to AC each day is an important indicator of how much space was given to stories relating to the AC in each of the newspapers. Ideally, the column centimetres afforded to the AC would have been a more accurate assessment but with the newspapers only available via microfilm, this process could not be achieved accurately. With paragraphs being of approximately the same size, this was the next best way to measure the stories. The number of photographs that accompanied each story was also recorded, but via microfilm, it was not possible to accurately record the size of the photographs. As a more accurate assessment of the photographs, it was recorded if they are headshots or action shots of the racing and related events. It was not recorded if the photographs were in colour as it was not possible to tell through the use of microfilm.

4.3.4 JOURNALISTS

It is possible to assess how much importance a particular newspaper placed on the event by the journalists they used to obtain their stories. Having a journalist based in Valencia for the length of the regatta would be an expensive undertaking with some newspapers potentially not warranting it to be necessary. Instead, these newspapers

would rely on obtaining their stories of the newswire, or from journalists not on their payroll. In the case of the newspapers that did send reporters to Valencia, the relevant department was noted. This assisted in analysing what angle the particular newspaper was taking in its coverage. In the case of newspapers relying on media outlets to produce stories on their behalf, it was more often the news outlet that was accredited with the story, rather than the individual journalist. In such cases, the news outlet that produced the story was recorded.

4.3.5 SOURCES USED BY THE REPORTERS

Any sources that a journalist used in their stories were recorded. This assists in understanding whether a journalist was particularly dependent on one or same group of sources. If a journalist is to continually rely on the same source it can hinder their ability to report on the AC from a neutral perspective. This could also be as a journalist having affiliation with a particular team.

5. RESULTS

5.1.1 COVERAGE GIVEN TO THE AMERICA'S CUP IN THE ANALYSED NEWSPAPERS

A key aspect of this research has been the analysing of AC coverage in four of New Zealand's major daily newspapers: *The New Zealand Herald*, *The Dominion Post*, *The Press* and *Otago Daily Times*. This chapter sets out the findings from each of the four dailies, and draws conclusions from the coverage of the AC in the four newspapers.

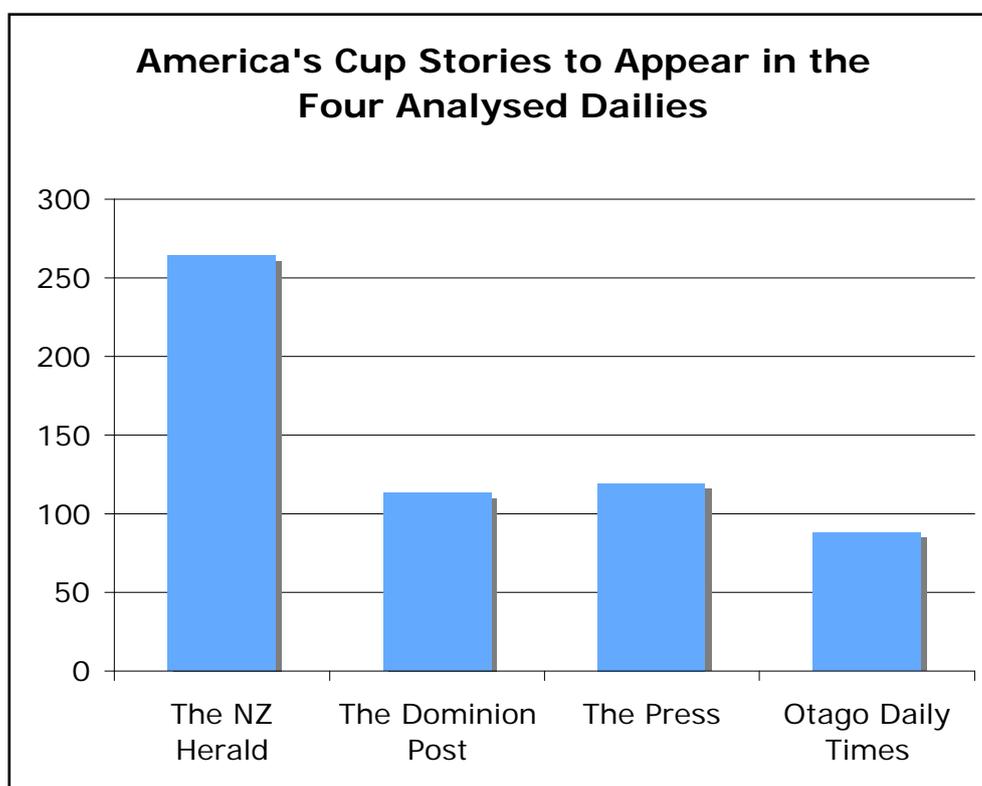


Figure 1.

The coverage given to the AC and Louis Vuitton Cup in *The New Zealand Herald* was significantly more extensive to that of the other three dailies analysed. *The New Zealand Herald's* key target audience is Auckland. With Auckland having hosted the previous two AC regattas, and the likelihood of hosting the next AC if Emirates Team New Zealand were to win in Valencia, Auckland would obviously benefit the most if Emirates Team New Zealand were to win. The amount of revenue that the Auckland

region made from hosting the previous two campaigns compared to the rest of the nation helped deem the AC to be of enough significance to warrant extended coverage in *The New Zealand Herald*. With the Emirates Team New Zealand base also being in Auckland, the majority of the crew reside in the city, giving the AC particular significance to the Auckland region.

The amount of coverage given to the AC in *The Dominion Post* and *The Press* was relatively similar. This was perhaps a reflection of the fact that the two newspapers are owned by Fairfax Media. To have a journalist stationed in Valencia for the entirety of the AC and the Louis Vuitton Cup was expensive, so as a cost-cutting exercise, Fairfax Media sent one journalist to Valencia to provide stories for all Fairfax Media newspapers. However, for a small period, *The Dominion Post* did have a second reporter in Valencia, paid for by Emirates. His focus was on providing colour stories and did not report on any of the racing.

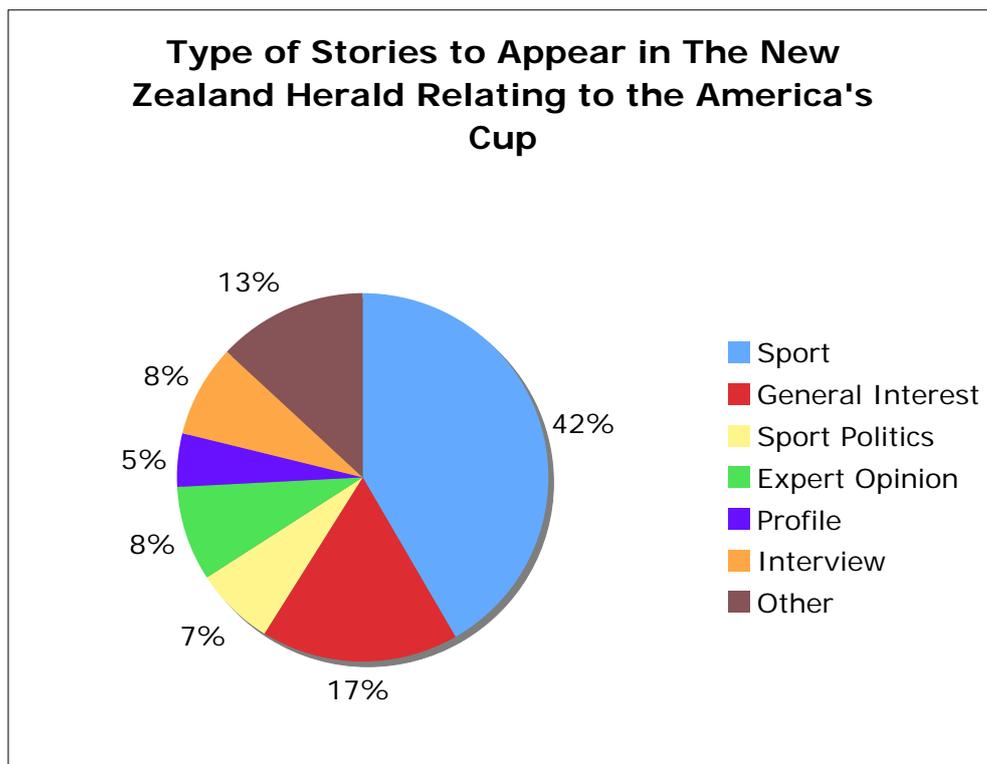
Otago Daily Times gave the least coverage to the AC, with no *Otago Daily Times* journalists travelling to Valencia. Being an independent newspaper, the editor could not have justified the costs of having a journalist in Valencia when the event was deemed to be of limited interest in *Otago Daily Times*' main distribution area. The newspaper instead relied on news agencies to provide them with their stories.

5.2.1 TYPE OF STORIES TO APPEAR IN THE NEWSPAPERS ANALYSED RELATING TO THE AMERICA'S CUP

For all four of the newspapers analysed, sports stories were the predominant type of stories to appear in relation to their AC coverage. It was in other areas that the newspapers varied in how they covered the AC. The way in which the newspapers framed the regatta varied slightly between newspapers.

The overriding tone of the four newspapers' AC coverage was nationalistic, keeping in mind that the AC as a whole had been deconstructed as a nationalist event as Bertarelli transformed the event into a commercially driven enterprise. The majority of the stories printed related to the efforts of Emirates Team New Zealand with the other teams receiving limited coverage in the analysed newspapers. When the New Zealand media interviewed members of Emirates Team New Zealand, their

nationality was seldom mentioned: It was accepted that they were sailing under the 'New Zealand' banner. However, if a member of another team was interviewed and they happened to be a New Zealander it was duly noted. More often than not, when stories did relate to one of the other teams competing in Valencia, it would be in relation to New Zealanders sailing on those boats or New Zealanders would be used for sources. When Emirates Team New Zealand lost the AC to Alinghi, an editorial in *The New Zealand Herald* did not talk of a Swiss victory but rather labelled the Swiss victory as a New Zealand victory, making reference to the large contingent of New Zealand sailors onboard the Swiss boat. *The Dominion Post* followed similar lines to *The New Zealand Herald* running a story profiling 'The Kiwis who won the Cup' (July 5, 2007). The fact that these same sailors had been labelled as traitors four years earlier seemed to be forgotten with a more important theme at hand: to keep the national pride alive and find a silver lining in Emirates Team New Zealand's loss by labelling the Swiss victory as partly a New Zealand victory. So while framing Emirates Team New Zealand as a 'national' team, regardless of the number of



foreigners sailing on the boat, that same notion of 'national' was not given to the other competing teams, instead focusing on the 'New Zealandness' of those teams.

Figure 2.

Even though *The New Zealand Herald* afforded the most time and space to the AC, there were a number of areas in which they lacked coverage compared to the other dailies. For example, for the duration of the studied period, *The New Zealand Herald* printed only one political cartoon relating to the AC. The cartoon showed the AC in a positive light, whereas some of the cartoons used in the other newspapers were not so favourable in their portrayal of the events in Valencia. The columnists writing for *The New Zealand Herald* gave the AC limited coverage in their columns, compared to some of their fellow columnists at the other three newspapers studied. The columnists who did make reference to the AC in *The New Zealand Herald* framed New Zealand and the Government's involvement in the AC as a positive.

When *The New Zealand Herald* did tend to be critical, it was aimed at the running of the event in Valencia. To assist them in framing Auckland as a better venue than Auckland, they ran interviews with people who wanted the AC to return to Auckland.

Like all of the newspapers studied, few of *The New Zealand Herald* stories related to the business aspects of the AC or sponsorship. The stories that *The New Zealand Herald* did carry on this subject were provided by other news sources, in particular Reuters. On June 30, *The New Zealand Herald* ran with two articles fitting this classification.

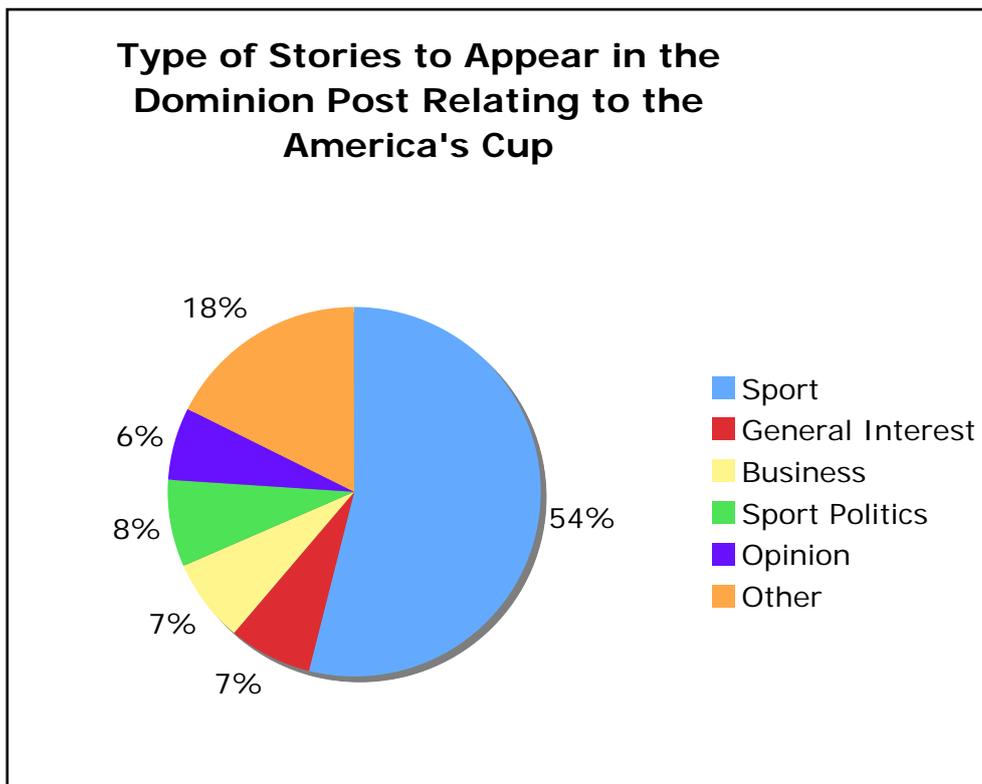


Figure 3.

The Dominion Post was similar to *The New Zealand Herald* in that the majority of its coverage focused on the sporting aspect of the AC. Not having their own reporter based in Valencia, may have had something to do with the lack of interviews and profiles that *The Dominion Post* carried. *The Dominion Post* and *The Press*, both had a significant rise in the amount of coverage given to the AC once Fairfax reporter Greg Ford arrived in Valencia during the closing stages of the Louis Vuitton Cup.

With stories entitled ‘Interest in Challenger’s Series Sinking Rapidly’ (Douglas: May 12, 2007) and ‘Sailing on your money – but will it bring a payoff?’ (Crewdson: June 11, 2007), *The Dominion Post* more openly engaged in creating debate surrounding the Government funding of Emirates Team New Zealand. The stories remained neutral by highlighting both sides of the story, but by running the articles, *The Dominion Post* acknowledged that not everyone was supportive of the Emirates Team New Zealand campaign. Another article to appear in *The Dominion Post* cautioning Government sponsorship of an AC campaign appeared in the editorial section following Emirates Team New Zealand’s failure to win back the AC.

‘The cup is a rich man’s game in which Government investment represents a gamble. One more throw of the dice is justified by the rewards on offer. But the Government is sailing in deep waters. Even luxury bag-maker Louis Vuitton is rethinking its sponsorship of the challenger series because of the increasing importance of money to the event’ (Editorial, *The Dominion Post*, July 5, 2007).

Although the editorial is an opinion piece, the use of the editorial to highlight the concerns surrounding the AC assists in framing the perspectives of the public in *The Dominion Post*’s main sphere of influence, Wellington.

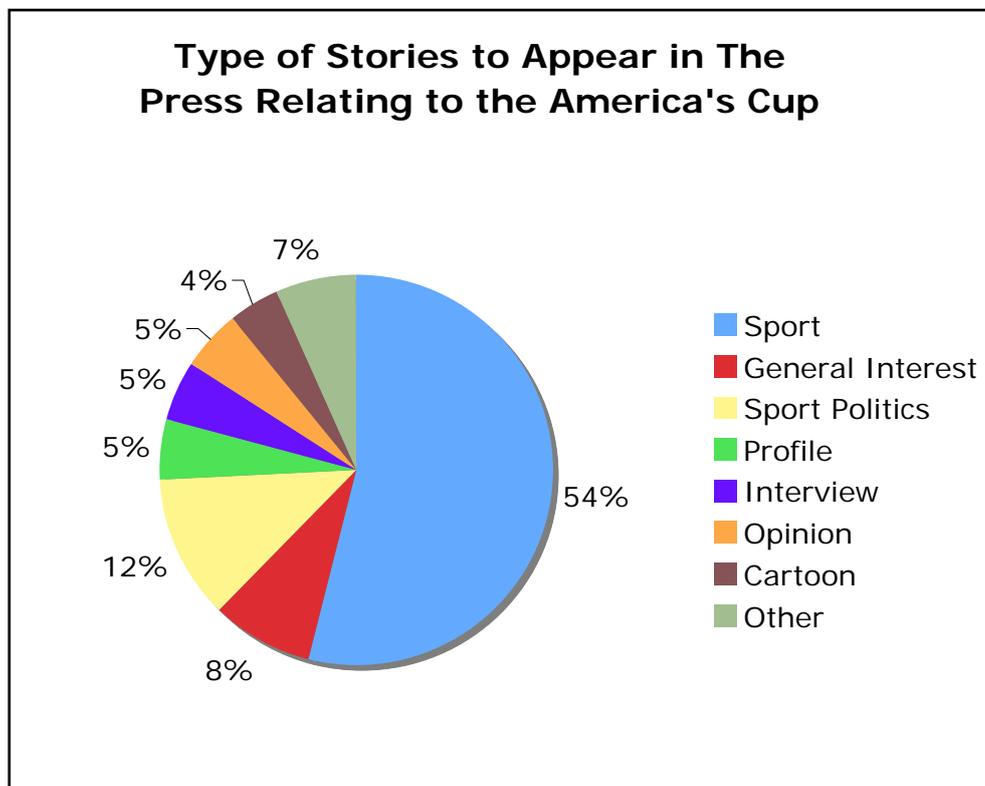


Figure 4.

The Press coverage of the AC was similar to that of *The Dominion Post*, partly because of a reliance on the same journalist as a source for stories. Although the two newspapers were using the same journalist, the final stories to appear in their newspapers still varied. In line with Galtung and Ruge’s theory on news outlets relying on stories that appeal to the local, *The Press* included stories that portrayed people from their main distribution area, Canterbury, working in Valencia. This included a feature story on former Christchurch resident and Canterbury basketball

representative Anthony Romano who was employed as the general manager of the Luna Rossa team.

The Press ran a significant number of political cartoons and opinion columns relating to the AC. Columnists in the other three newspapers analysed either ignored the AC as a point of discussion or made positive references to it. The majority of the column pieces and cartoons relating to the AC to appear in *The Press* tended to be negative towards Government assistance for Emirates Team New Zealand. One columnist in particular made reference to the event in a number of his articles, offering the opinion that the money the Government was offering to the AC could be better used if it were to be shared amongst New Zealand sports, or at the least, amongst all forms of yachting (Smith, *The Press*: July 6, 2007). Another of his articles ('The Bald Facts' *The Press*, April 18, 2007) also questioned the virtues of the AC and the 'Kiwiness' of Emirates Team New Zealand, suggesting that yachting is still an elitist sport, with Emirates Team New Zealand still having a limited following in the public sphere. He believed TVNZ was responsible for the amount of coverage the AC is given in the New Zealand media claiming:

'Today, the AC is a giant con-job perpetuated by Television New Zealand because its missed the boat on core Kiwi sports. It's lost super 14 rugby, NRL league and netball (from next year) to Sky Sports. Even the World Cup rugby rights have gone to rival network TV3.

Free-to-air television could make a spectacle of any sport if it devoted half the resources TVNZ fritters on the AC' (Smith, *The Press*: April 18, 2007).

However, another columnist framed the AC in an altogether more positive light, citing the AC as:

'a globally visible testing ground for the sort of skills, talents and resources that New Zealand Inc needs to demonstrate that it has in spades: to make itself visible; to attract inward investment; to advertise its wares' (Cunliffe, *The Press*: July 7, 2007).

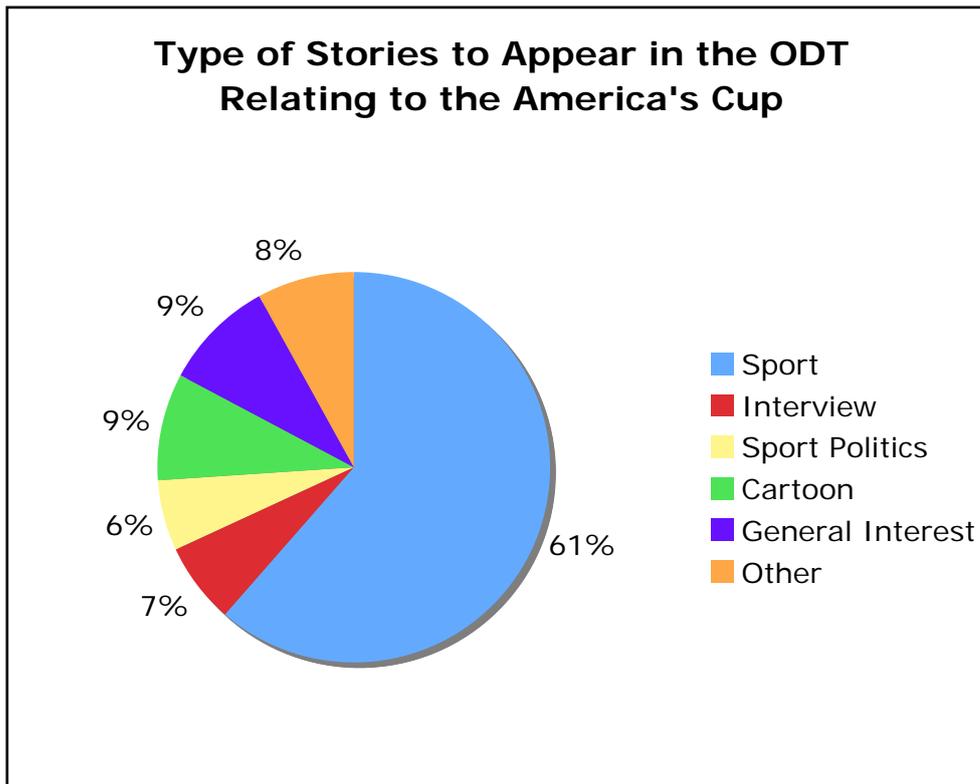


Figure 5.

The majority of the stories reported in the *Otago Daily Times* tended to be race previews and reports with few stories reporting on other aspects of the AC. *Otago Daily Times* only carried six interviews in the period of the study, a number significantly lower than that of the other three newspapers. As already mentioned, *Otago Daily Times* is the only independently owned daily analysed in this study and if it was to send a reporter to Valencia, its stories would have only been used by one newspaper, deeming uneconomical. As such, *Otago Daily Times* coverage was limited to what it received from other news outlets.

Otago Daily Times political cartoonists used the AC as a source of satire in its daily cartoons significantly more than the cartoonists of the other three newspapers analysed. If it had not been for *The Press* occasionally using the same political cartoonist as *Otago Daily Times*, the other three newspapers combined would have had fewer cartoons portraying the AC collectively than the *Otago Daily Times*. The cartoons printed in *Otago Daily Times* were typically negative in their portrayal of the AC, in particular the Government's funding of Emirates Team New Zealand. Again, these cartoons were often only the opinion of one person and not reflective of the

opinion of the newspaper as a whole, but like the columns to appear in *The Press* and *The Dominion Post*, the ideas portrayed in these political cartoons play their role in influencing public opinion within the sphere of influence of the *Otago Daily Times*.

5.3.1 PLACEMENT OF STORIES IN THE ANALYSED NEWSPAPERS

Although comments coming out of Valencia constantly reiterated the AC was more than just a sports event, if the placement of the stories relating to the AC in the papers is anything to go by, New Zealand, through the eyes of the media still regard the event primarily as a sport's event. For all of the newspapers analysed, the vast majority of stories relating to the AC appeared in the sport's section of the newspaper. The sports section, and in the case of *The New Zealand Herald* the general news or 'A' section have been broken down for this part of the analysis. The reason for this is because stories that appear on the front page of the newspaper, or a section in, hold more resonance than stories that appear on the inside of each section. In the case of *The Dominion Post*, *The New Zealand Herald* and *The Press* the sports section has been broken into three categories to allow for the supplementary sports section that comes with each of the three newspapers on Fridays. The argument for including this, as its own category is that if this section does not exist, then the coverage of sports will be limited to what a newspaper is able to fit into its daily sports section. By attempting to fit all sports news into a limited number of pages restricts the ability of more in-depth sports stories. Typically, the stories to appear in the lift-outs would take more in-depth looks at certain aspects of the AC and would also include a number of interviews and profiles. Although the Government labelled its sponsorship of the AC as a business decision with the AC as the catalyst for bringing influential business people together, few stories appeared in the business sections of any of the analysed dailies.

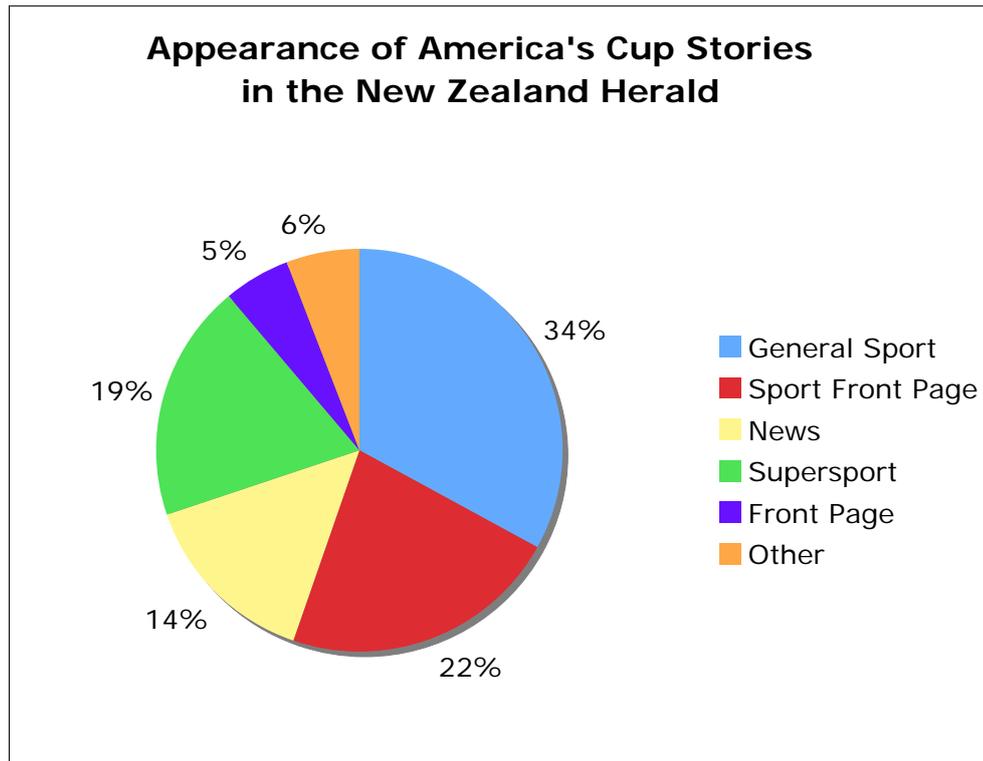


Figure 6.

Figure 6 shows that stories relating to the AC predominantly appeared in the sports section of *The New Zealand Herald*. Although not enough articles relating to the AC appeared on the front page to deem it a large enough percent to stand alone on the graph, stories relating to the AC still appeared more frequently on the front page of *The New Zealand Herald* than they did in any of the other dailies studied. On five occasions, the printing of the newspaper was delayed in an effort to include a race report of the overnight races, particularly in the latter stages of the campaign. The other three dailies combined did not hold the printing of the newspaper as often as *The New Zealand Herald*.

In the other three dailies studied, if a story did not hold enough news value to appear on the front page of the newspaper, then it was placed in the sport's section. If a reader did not tend to read the sport's section, they would have a limited knowledge of events in Valencia. *The New Zealand Herald* used a different format that would have caught the attention of most readers by placing a number of general news stories on A3, or the third page of the newspaper. Nearing the end of the AC, A3 of *The New Zealand Herald* was often entirely devoted to the AC.

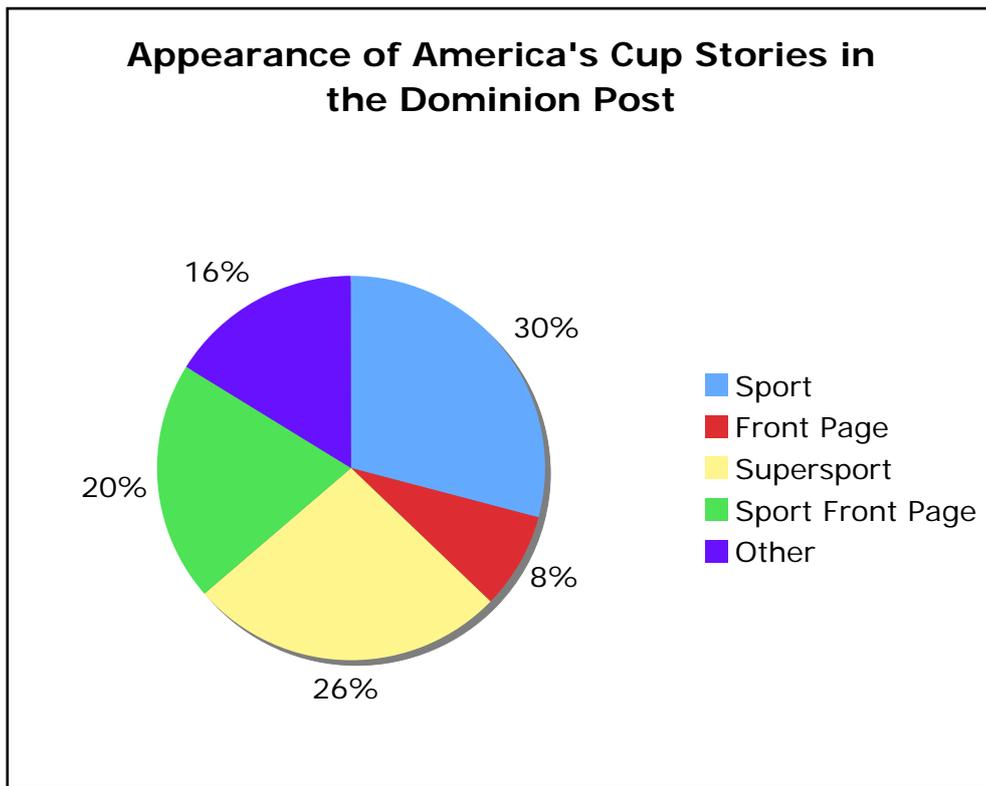


Figure 7.

As can be seen from the graph above, the majority of *The Dominion Post's* stories appeared inside the sports section with the Friday lift-out providing space for a quarter of *The Dominion Post's* stories.

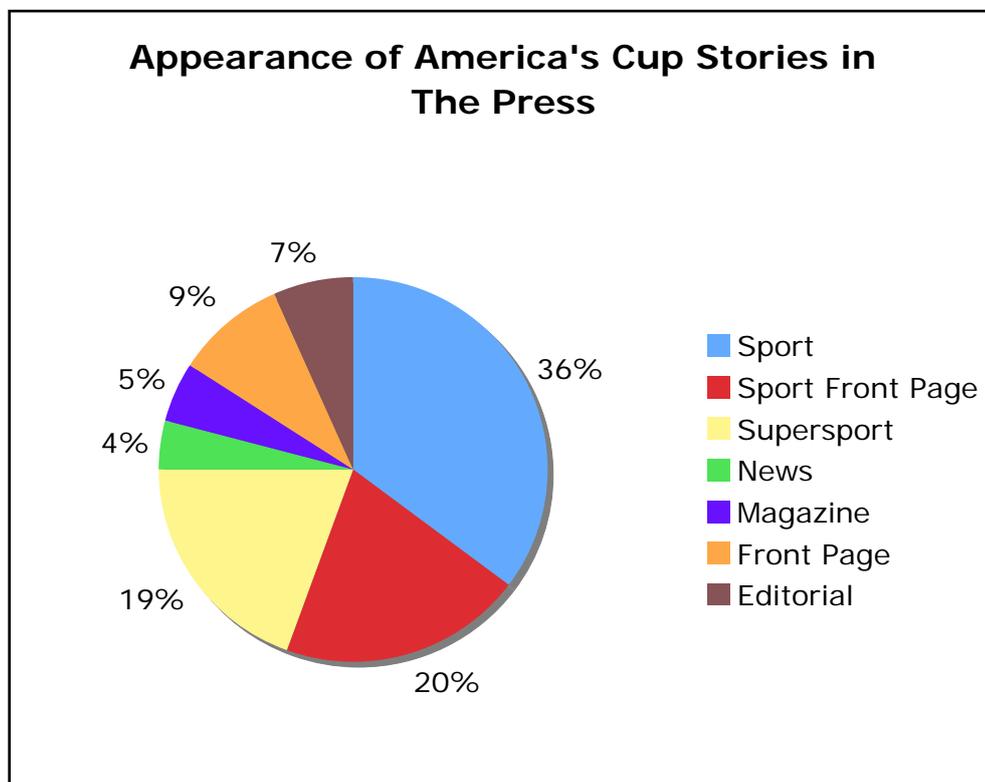


Figure 8.

The Press's placement of stories relating to The AC in its newspapers mirrors *The Dominion Post*.

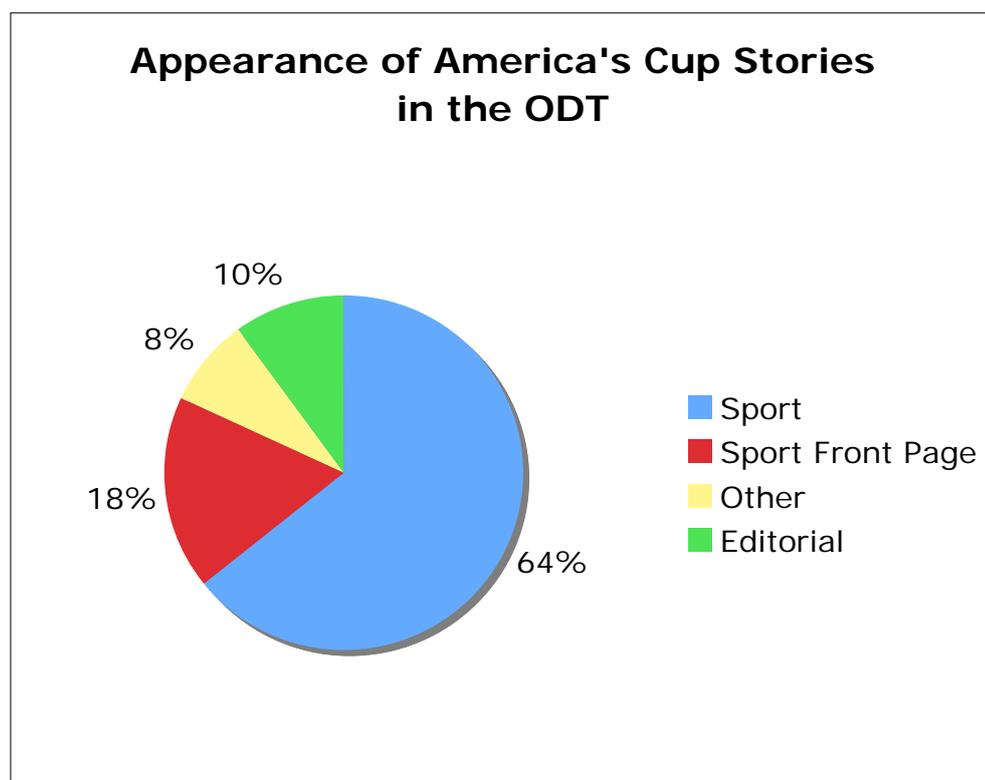


Figure 9.

The extent to which the newspapers analysed used the sports section to report on the AC is no more exemplified than in *Otago Daily Times*.

5.4.1 JOURNALISTS/NEWS AGENCIES USED IN THE ANALYSED NEWSPAPER'S AMERICA'S CUP COVERAGE

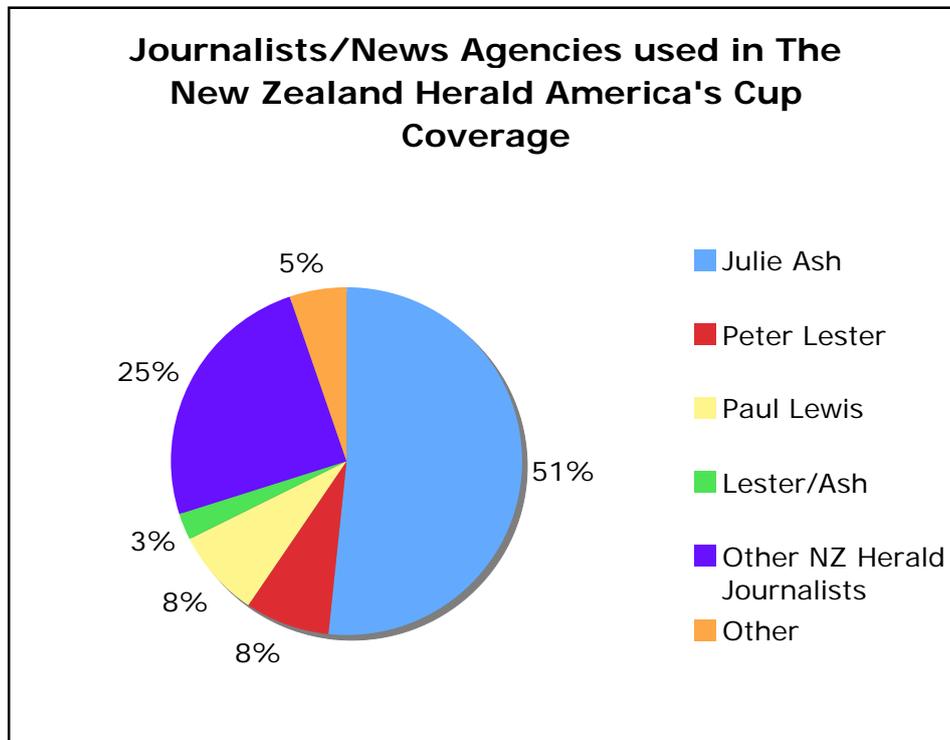


Figure 10.

Over the course of the period analysed, *The New Zealand Herald*, *Herald on Sunday* and its website, www.nzherald.co.nz had four different journalists providing AC stories: Paul Lewis, Julie Ash, Peter Lester and Jane Phare. The journalist to provide the most stories for *The New Zealand Herald* was Ash who was in Valencia for the entirety of the Louis Vuitton Cup and AC. Of the four newspapers, only *The New Zealand Herald* had a reporter in Valencia for the entire event, with most newspapers opting to rely on stories from external news sources until the closing stages of the Louis Vuitton Cup. The majority of the stories provided by Ash were summaries of each day's racing, a preview of the racing ahead and general news from around the AC village. The majority of the reports were focused on Emirates Team New Zealand. Ash mainly relied on four members of Emirates Team New Zealand for her reports: Ray Davies, Terry Hutchinson, Dean Barker and Grant Dalton. Another to provide stories for *The New Zealand Herald* for the entirety of the regatta was Lester. Lester was in Valencia working for the official television broadcaster AC TV and writing a weekly column for *The New Zealand Herald*. Lester comes from a sailing

background, rather than a journalistic one, something that came across in his columns, which tended to be aimed more at sailors than average readers. His weekly input increased at the AC stage of the regatta.

Working for *Herald on Sunday*, Phare and Lewis both spent periods in Valencia. Jane Phare's stories appeared only in the *Herald on Sunday* and were not considered as part of the analysis. However, Lewis wrote stories for both the *Herald on Sunday* and *The New Zealand Herald*. His stories tended to be general interest news stories. Lewis arrived in Valencia in the closing stages of the Louis Vuitton Cup and remained until the AC had been completed. Because of the heightened interest in the event during this period, Ash mainly provided previews and post race analysis while Lewis tended to focus on the events around the base.

The New Zealand Herald also sent reporters on assignment in Auckland to get a local perspective on events in Valencia. A number of these stories outlined what the return of the AC to New Zealand could mean for Auckland. Out of the newspapers analysed, *The New Zealand Herald* was the only newspaper to discuss this angle of the AC. Auckland mayor Dick Hubbard proved to be a popular source for these stories.

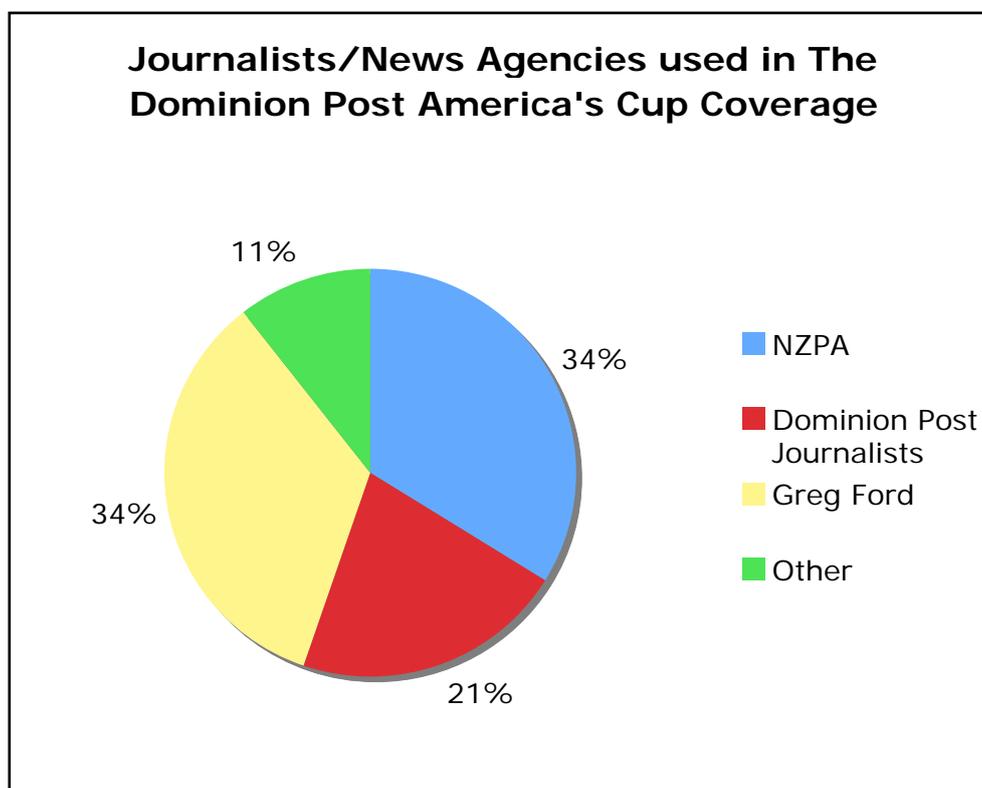


Figure 11.

The Dominion Post did not have a journalist stationed in Valencia for the entirety of the Louis Vuitton Cup and AC. Not having a reporter in Valencia for the beginning stages of the Louis Vuitton Cup saw *The Dominion Post* rely on other news agencies for stories. A reliance on news agencies for most of the Louis Vuitton Cup restricted the angle from which *The Dominion Post* could approach its reporting of the AC, as it did not have input into how the journalists working for the news agencies reported events. The news agency *New Zealand Press Association* (NZPA) was used extensively for stories during the early stage of the Louis Vuitton Cup.

The Dominion Post began to get some control over the stories it was receiving out of Valencia when Fairfax journalist Greg Ford arrived to cover the closing stages of the Louis Vuitton Cup and the AC. Unlike the other Fairfax newspaper analysed (*The Press*), *The Dominion Post* had their own reporter based in Valencia for a short period. Patrick Crewdson wrote a small number of in-depth stories based different aspects of the Emirates Team New Zealand operations in Valencia and New Zealanders working for other syndicates. He was one of the few reporters from the newspapers analysed to actively engage in the debate over whether the Government should have direct involvement in funding an AC campaign.

Journalists/News Agencies used in The Press America's Cup Coverage

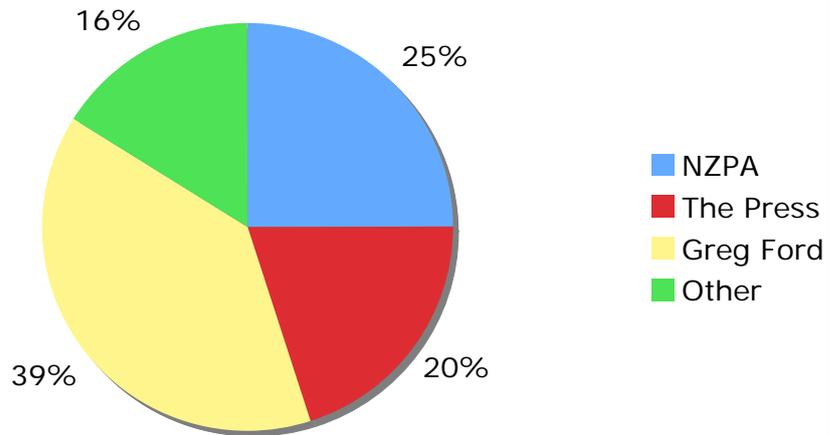


Figure 12.

Having Ford in Valencia gave *The Press* some discretion as to how the AC was reported. For example, having Ford in Valencia proved useful to *The Press* in acquiring stories that had a local link to them, such as the article on Anthony Romano.

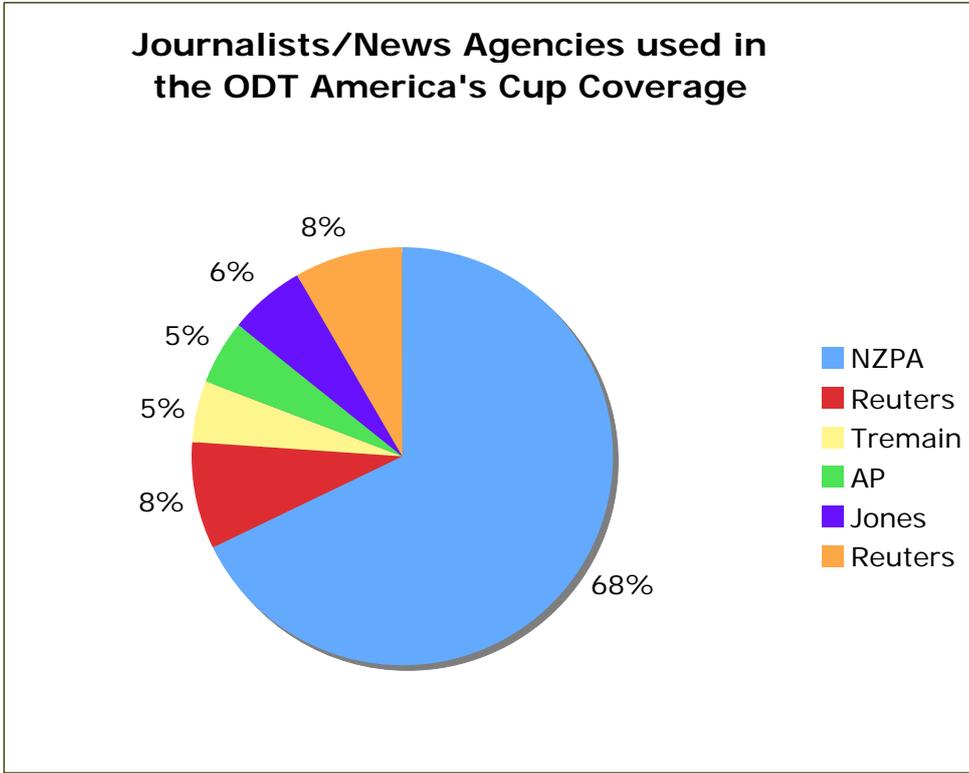


Figure 13.

With NZPA journalist Robert Lowe providing *Otago Daily Times* with over 65% of their stories, it limited the scope that *Otago Daily Times* offered a limited perspective on the AC. It also restricted the control the newspaper had over the stories it was provided with. From the newspaper’s payroll, two of its regular political cartoonists provided the majority of their content relating to the AC.

5.5.1 OVERALL OBSERVATIONS ARISING FROM THE ANALYSIS

Overall, the coverage across the four newspapers framed the AC as a sports event, something that was expected at the beginning of the analysis. What was not expected was the extent to which other facets of the AC went largely ignored in the mainstream media. For the most part, little was written about the role of New Zealand Trade, or New Zealand Trade and Enterprise in Valencia. One article that did discuss at length the work of the two groups in Valencia appeared in a trade magazine of whose readership would be limited. A number of significant contacts and deals were formed by New Zealand business-people who took advantage of the programme established by New Zealand Trade and Enterprise, but little of this was mentioned in the mainstream media. Going by some of the comments made by columnists and portrayals in some of the political cartoons, there was a misunderstanding or lack of knowledge as to what the two New Zealand Government agencies were doing in Valencia. If the mainstream media had provided more information about the Government agencies roles in Valencia, it could have assisted in developing support for the AC in the public sphere. It could have also assisted in the Emirates Team New Zealand challenge receiving positive feedback by columnists and political cartoonists. Because the AC is so often framed as being so much more than just a sports event, it had been expected that other facets of the event would have received more attention in the media. It was expected that there would have been more business stories relating to the AC than there were. It was also expected that as the AC is so often framed as a national event, the newspapers would have given the AC a similar amount of coverage. It was also thought that the amount of opinion pieces and political cartoons would have been of a similar nature and appeared a similar number of times through the four newspapers.

Another observation was that the more stories a newspaper provided on the AC then the more photographs relating to the event would also appear. One of the main reasons that sponsors claimed to become involved in AC sponsorship was because of the floating billboards that the AC boats provided. However, out of all the photographs to appear in the four newspapers analysed, sponsors insignia were visible in less than half.

6. INTERVIEWS

6.1 INTRODUCTION

The final section of this thesis documents the results of a number of interviews that were conducted with journalists who worked in Valencia on the AC and Louis Vuitton Cup. Seven of the journalists interviewed worked in the print media for the four newspapers that were analysed. In addition to this, two public relations personnel and one television journalist and two foreign media print journalists were interviewed to add further perspective to this chapter. The questions asked of the interviewees related to patterns that emerged during the analysis stage of this thesis.

The general questions asked of the journalists were:

- For what period of the regatta were you in Valencia?
- What type of journalist do you regard yourself as?
- What did your editor expect of you?
- Were the teams receptive of your presence?
- Why do you think the AC means so much to New Zealand?
- What were your overall impressions of the event?

Whilst some journalists were happy to be named, others chose to remain anonymous. Where appropriate, the name of the journalist is provided; otherwise the journalist is simply referred to by the type of journalism they were working in (e.g. a New Zealand print journalist).

6.1.1 FOR WHAT PERIOD OF THE REGATTA WERE YOU IN VALENCIA?

The point of the first question was to gain an understanding of how much importance different newspapers placed on the AC based on their decision to have a journalist in Valencia for different periods of the regatta. As a second part to this question, some of the journalists were also questioned on the funding of their trip to Valencia, determining if any third parties assisted in their travelling expenses, an action that could have repercussions on the angle that a journalist's work took. Cost was often the main editorial decision behind whether a news outlet would send a journalist to Valencia or not. Unlike some of the other sports tournaments of a similar scale, the duration of the AC is much longer, making it an expensive task to have staff based in

Valencia for about a four-month period. Only one New Zealand print journalist and one radio broadcaster were based in Valencia for the entirety of the Louis Vuitton Cup and AC: Todd Niall, working for Radio New Zealand, and Julie Ash, working for *The New Zealand Herald*. The cost of having Todd Niall in Valencia for the entire length of the regatta cost Radio New Zealand New Zealand \$7300, on top his salary. Before going to Valencia, Niall had to justify Radio New Zealand sending him there for the regatta in its entirety. He cited the scale of the event and the number of angles to which the AC could be approached as a story, as two of his key reasons for being in Valencia. Since New Zealand had first become involved in the AC, the media had always framed it as a story of great importance to the country and Niall believed the event in Valencia would be no different. Due to the nature of the event, there were a number of days that racing did not take place. On these days, Niall would find stories away from the racing to help justify his being in Valencia.

Every time the AC had taken place since New Zealand had become involved, the event was a leading news story so to not have a reporter based in Valencia could see some aspects of the event go unreported. Julie Ash had reported on a number of the acts leading up to the Louis Vuitton Cup, in which Emirates Team New Zealand had performed admirably. The early signs were that the team would perform well on arrival in Valencia. On making these observations, it was decided to have Ash in the Valencia for the Louis Vuitton Cup. If Emirates Team New Zealand had not looked like it had a serious chance of being competitive in Valencia, then Ash believes *The New Zealand Herald* would not have had assigned her for the whole regatta. Instead, she believes she may not been sent to Valencia until after the first few rounds or even the semi-final stage of the Louis Vuitton Cup. *The New Zealand Herald* had a history of reporting the AC and Ash believes that it is an event more for Auckland than the rest of the country and as the only daily newspaper focused on the Auckland region, it felt that in some ways it had a responsibility to cover the AC in depth.

Ash confirms that in New Zealand sailing is largely an Auckland thing; the team is based in Auckland; and the Auckland region would benefit most from Emirates Team New Zealand success. When Ash was questioned about the validity of the New Zealand Herald having a reporter in Valencia, she replied by making reference to the interest the event created on *The New Zealand Herald* website. In a year in which

New Zealand was involved in three other major World Cups (cricket, rugby and netball), *The New Zealand Herald* web-site recorded its highest ever number of hits during the final stages of the AC, forcing its server to crash. This, Ash believes, is proof that there was enough interest in The AC to warrant the extensive coverage *The New Zealand Herald* gave the event.

NZPA cited cost as the reason for not sending a reporter, Robert Lowe, to Valencia until the AC had begun. Lowe still reported on the Louis Vuitton Cup, albeit from Auckland, where he watched the races on television, before proceeding to view the press conferences live via the Internet. If he needed any further information, he had the numbers of key Emirates Team New Zealand members. Reporting the event in such a way, and not having a person on the ground in Valencia, potentially hindered the ability of NZPA to report on aspects of the AC away from the sailing.

Some journalists interviewed were in Valencia courtesy of Team New Zealand's naming rights sponsor, Emirates. In all likelihood, if it had not been for the trip being funded by Emirates then they would not have travelled to Valencia. These journalists tended to focus on stories away from the racing.

6.1.2 WHAT TYPE OF JOURNALIST DO YOU REGARD YOURSELF AS?

The question was an attempt to understand what type of stories different publications wanted out of Valencia based on the journalists they sent there. For example, if a newspaper were to only send a sports journalist to Valencia this would dictate the type of stories that they in return received. For most of the New Zealand journalists interviewed, reporting on sailing was a new experience for them. Although the AC has developed into a significant event in the New Zealand public sphere, there are few print sports journalists whose expertise is in sailing. Fairfax journalist Greg Ford stated that when going to Valencia he had a limited knowledge of sailing but had been chosen because of his seniority within the newspaper and for a lack of a more suitable applicant. A number of other journalists interviewed shared similar sentiments.

Because of the limited size of most of New Zealand media's news desks, journalists are often required to be able to work on assignments across a number of topics that can often be spread across a number of news desks. One journalist interviewed was a

primarily a business editor but went to Valencia based on his interest in sailing. Having journalists working on the event from a number of different backgrounds assisted in not getting caught up on the technical jargon of yachting. Ash believes, that aside from the AC and the Olympics, sailing news is a small subject and there is not the demand to have full-time yachting journalists working for New Zealand newspapers.

New Zealand journalists were generally required to produce at least one story a day. As already mentioned, a number of them had a limited knowledge of sailing upon arrival in Valencia and were learning as they went. Expert yachting journalists from abroad were faced with an altogether different set of issues. Whilst the majority of the New Zealand journalists in Valencia were makeshift yachting reporters, a number of other reporters in Valencia were full-time yachting reporters but unlike their New Zealand counterparts, they had no guarantees their work would be published. One journalist interviewed was in Valencia working for a significant British daily. His expertise is in sailing and he is considered one of the leading authorities on AC history. In order to compete with the mainstream British sports, he was expected to 'sell' his stories to the newspaper he was working for with the newspaper showing a limited interest in the AC. An American sailing journalist, Angus Philips who reports for Sailing World magazine and the Washington Post claimed that few people, and next to no one outside of the sailing fraternity, care about the AC in the United States. Once BMW Oracle had been knocked out of the Louis Vuitton Cup, he was told to return home. The journalist claimed that although BMW Oracle was made up primarily of foreign sailors, most Americans still regarded the team as being an American entry. He believed that had BMW Oracle qualified for the AC then interest would have increased significantly.

6.1.3 WHAT DID YOUR EDITOR EXPECT FROM YOU?

The aim of this question was to garner an understanding of the constraints, limitations and pressures the journalists were working under in Valencia. Journalists are known to work under tight schedules that often limit the type of stories they report on. The point of this question was to understand if there was a reason that some stories were being reported whilst others were overlooked. A few of the journalists claimed to be given a free rein to report on what they wanted in Valencia. There was the need to

cover the racing but that aside, the editors, based back in New Zealand had a limited knowledge of what was happening in Valencia on a day-to-day basis so it was difficult for them to place expectations on their journalists. Most of the journalists interviewed would work on instinct and would write on stories that they believed would be of interest. Most journalists were expected to provide at least one story a day while on assignment. As most did not arrive until the finals of the Louis Vuitton Cup or the start of the AC, they were limited in what they could report away from the racing. Lowe claimed that by the time he had covered the racing and the political battles taking place between the teams, he was left with little time to cover other aspects of the AC. Some journalists claimed to be on assignment up to 18 hours a day and most weekends to achieve this. Obviously for those stationed in Valencia for the entire period, it was a different situation with there sometimes being up to a two-week break between racing, giving them plenty of time to focus on aspects away from the racing.

Ash said that in the time she was in Valencia she was sometimes producing 15 000 – 20 000 words a week and had only three days off during the period she was there. Ash was expected to write on all facets of the event, including colour stories on Valencia and profiles on different teams and team members. These stories would typically run in Friday's sports pull-outs and the Weekend Herald. Greg Ford, reporting for Fairfax Media worked to a similar pattern. Typically, races would take place mid-week so he was able to provide match reports for the dailies while also working on more in-depth stories to appear in Friday sports sections and *The Sunday Star-Times*. Ford was given a relatively free rein over what he reported on from Valencia, provided he believed it would be of interest to a New Zealand readership. Most of what he wrote was printed, suggesting that he had a good understanding of what the editors wanted. The feedback from New Zealand for Ford was positive, with more column space becoming available to him as interest in the event grew.

The majority of print media journalists worked under the premise that most readers already knew the result of the latest race before the newspaper went to print. With this in mind, their editors wanted their stories to preview the next race and discuss how the teams could improve on what they did in the previous race.

Whilst for most of the journalists, their task was to first and foremost report on the sporting aspect of the AC with other stories if time allowed, some journalists, particularly those in Valencia courtesy of Emirates, only focused on other aspects of the regatta. Jane Phare, of the *Herald on Sunday*, was one such journalist whose main task was to write 'colour' stories about the AC. Her stories included interviews with some of the lesser-known people involved in the regatta and what Valencia was like as a place.

6.1.4 WERE THE TEAMS RECEPTIVE OF YOUR PRESENCE?

Whether the teams were receptive towards journalists could have an effect on the way that they reported the event. If a journalist is given full access to some teams but limited access to another then this could have an effect on the way in which he or she frames the teams. As part of this question, journalists were asked about their treatment specifically from Emirates Team New Zealand. In accordance with Lowes (1999) who discusses the needs of journalists being met, the media centre in Valencia was state-of-the-art. The yacht bases also had their own media centres with some being described as lavish. However, Emirates Team New Zealand bucked this trend by treating the journalists with the same no-frills attitude that had been prominent throughout all facets of the Emirates Team New Zealand campaign. A spokesperson from Emirates Team New Zealand stated the team did not go out to seek media attention or make a special effort to court the media but would instead wait for the media to come to them. It was part of its strategy to retain as low a profile as possible. The media interviewed found Emirates Team New Zealand receptive to them, making different members of the crew available to them on request and over the course of the campaign, the majority of the team appeared in press conferences to please the media. Typically, it would be team tactician Terry Hutchinson, Skipper Dean Barker and team boss Grant Dalton who would front the press conferences as these three tended to be the people the media wanted to interview. One of the other big teams, BMW Oracle took a different approach to Emirates Team New Zealand in enticing the media towards its team, by placing emphasis on hosting the media. Overall, the different methods were both effective with the media having little issue with either team. Ash cited the importance of having effective PR personnel in place who had the ability to recognise the journalist and cater for their needs, qualities particularly strong

in the two aforementioned teams. Ash also found individuals in teams to be particularly approachable and would often use them as sources for stories.

A number of the New Zealand media contingent had difficulty with gaining access to the Alinghi team. With Emirates Team New Zealand and Alinghi having an ongoing feud, some got the impression that Alinghi felt that the Kiwi media contingent was an extension of Emirates Team New Zealand. As the team responsible for organising the event and AC management being seen as an extension of Alinghi, this did not bode well for the portrayal they were given in the New Zealand media. Alinghi also had a strategy of primarily creating exposure for the event throughout Europe and Asia. Of the list of countries, New Zealand media rated low. Although the event receives strong media coverage in New Zealand, the New Zealand media contingent in Valencia was small compared to a number of other countries so Alinghi could afford to ignore them. Niall remarked that the New Zealand media presence in Valencia was dwarfed by that of the other countries, particularly European countries but the bigger news services such as BBC World and CNN tended to stay away.

From the television perspective, Peter Lester who worked for the official broadcaster AC Television while also providing opinions for TVNZ and *The New Zealand Herald*, was happy that at different times he was criticised by both Alinghi and Team New Zealand. To him, that was a sign that he was doing his job as it showed that he was not showing prejudice or favouritism to any one team.

While journalists agreed that in many ways Valencia was a superior venue to Auckland, the hospitality for the media was somewhat lacking. One foreign journalist interviewed felt that little was done to entice journalists to explore Valencia past the AC base. As discussed in chapter 3, a large part of the Emirates Team New Zealand marketing campaign was about selling New Zealand, the 'brand'. As part of this, Tourism New Zealand went to great lengths to accommodate foreign journalists to 'sell' New Zealand. The above journalist felt that he came away from Valencia with a better knowledge of what New Zealand has to offer than Valencia. Ash agreed with this, stating that when the AC had been in Auckland, a number of tourism themed events were offered for the media such as fishing trips and trips to some of the landmarks and tourist attractions around the Auckland area, including meals with

some of New Zealand's finest cuisine and wines on offer. Valencia did little to promote itself to the media. Niall said that other than an often-unmanned tourism desk in the media centre, little was done to promote the region. When the desk was manned, language was often a barrier. Some claimed that crime was also an issue in Valencia and with little being offered in the way of city or regional tours, few felt the need to venture outside of the AC base.

All journalists interviewed were impressed by the display and work being put in by New Zealand Trade and Enterprise and Tourism New Zealand, citing the Maori cultural performance that took place on the first day of racing as one of their highlights in Valencia. Much was made of the Maori performance, but following this the work of the New Zealand Government went largely unnoticed. Following on from many of the journalists claiming to be given a free rein to report on what they wished in Valencia, the question arose of why little was made of the Government's role in Valencia, and that of sponsors across the board. One public relations person interviewed claimed that when the sponsors signed on, receiving coverage in the media was only a small part of their strategy for becoming involved in the AC. Their focus was to 'wine and dine' their clients in Valencia, providing them with opportunities to meet like-minded people and take in some of the racing. Most journalists such as Ash and Lowe stated that they already had more than enough stories to write about and they simply did not have time to expand too much on what New Zealand Trade and Enterprise was doing in Valencia. Ash also claimed that the focus of the two was more to court the foreign media and perhaps within their strategy regarding the media, they did not have the same need to entice the New Zealand journalists. Another journalist offered the view that the stories surrounding New Zealand Trade and Enterprise and Tourism New Zealand may simply not have been 'sexy' enough to be considered worth reporting.

6.1.5 WHY DO YOU THINK THE AMERICA'S CUP MEANS SO MUCH TO NEW ZEALAND?

With most of the journalists admitting to having a limited knowledge of sailing before becoming involved in the reporting of the AC, this question was aimed at gaining a better understanding of why the event is so much bigger in New Zealand than most of

the rest of the world, through the eyes of those that are not necessarily from a sailing background. The overwhelming answer to this question was because New Zealand loves winners, regardless of what sport or field it is in. If a New Zealander is doing well, then the journalists believe the rest of the country wants to hear about it. Often the reference is made to New Zealand being a small country involved in what has become a billion dollar industry and often punching above its weight. Lewis sees sailing as being a sport belonging to the plutocracy of other countries, but not in New Zealand where anyone can go sailing. It has the ability to appeal and interest anyone in the country. Secondly, most journalists interviewed, believed the New Zealand public understands what sort of money involvement in such an event can bring to New Zealand. Lewis claims that the money made from the AC can reach across more industries in New Zealand than any other sport. Some journalists, however, did believe that if the AC was to shift to pay-television then the interest in the event would dip significantly. They pointed to the number of New Zealanders sailing for any number of the teams in Valencia to understand what the event means to New Zealand as a country. This led on to another question: Why then, if there are so many New Zealanders competing across the regatta in any number of the teams, does the New Zealand media coverage still frame the event as a nation versus nation event, with most of the coverage being focused on Emirates Team New Zealand? Lowe answers this question by claiming that although big business may now have a big part to play in the event, at the end of the day it is still about the flag flying on the stern of the boat, which through the changes the AC has undergone remains the flag of the country where the team is based. Emirates Team New Zealand was the only team flying the New Zealand flag; therefore, it should command the most attention from the New Zealand media. Others interviewed put it down to the fact that New Zealand was to benefit most from an Emirates Team New Zealand victory and therefore they deserved most coverage by the New Zealand media.

6.1.6 WHAT WERE YOUR OVERALL IMPRESSIONS OF THE EVENT?

As an answer to one of the prior questions, a number of the Kiwi journalists confessed that they were not yachting experts and had been handed the assignment because of the absence of a yachting journalist within their newsroom. Because the journalists tended to have covered other sporting events the point of this question was to get a comparison of this event to some of the other sports events, of relative size that they

have reported on. This question also led on to journalists discussing the number of unreported stories and 'exclusives' that presented themselves in Valencia. A number of journalists who were covering an AC campaign for the first time were surprised at the number of stories that were going unreported. Because of the nature of sailing and the fact that many days go by without racing due to fickle weather conditions, sailing journalists can find a lot of down time to report on events taking place away from the racing. Paul Lewis would go looking for stories and was surprised at the number that could be found. Having reported on sports events of a similar scale to the AC, Lewis felt he was able to uncover significantly more stories than he would at other events almost by default as 'the old boys club' that tends to exist in yachting media did not follow up on stories. This was in part due to the lack of yachting experts within the media industry, meaning that they are faced with little competition for stories and they can rest on their laurels. Going back to a point discussed earlier, most of these same yachting experts struggle to receive column centimetre as it is, so there is no need to go and chase more stories when the ones they are reporting on may not be printed. Lewis's observation was that the foreign journalists' sole focus was on reporting to a yachting crowd whereas a journalist working for a New Zealand media outlet was expected to write stories that would appeal to a much wider audience. The foreign journalists also tended to travel from yachting event to yachting event with their stories typically reaching the same audience with little distinction being made between the global scale of the different events.

7. CONCLUSION

Much changed in the AC over the 20 years of New Zealand's involvement from 1987 to 2007 as the role of the media and big business increased substantially. Some changes were reflective of the changes that had taken place in sport the world over, while some were unique to the AC.

When a New Zealand-based team first contested for the AC in 1987, the campaign had a distinctive Kiwi feel to it, with the majority of the crew and sponsors from New Zealand. What made the AC so enticing was the aura that surrounded the event. Unlike other sports, the AC had been developed from the top down, embraced by the wealthy and, for the most part, ignored by the middle-classes. Yacht racing did not transfer well on to television, which made it difficult for the event to attract interest away from its traditional fan base. This is what allured sponsors such as Louis Vuitton to the event. The fact that it was an exclusive event, only accessible to a few was, in their opinion, a reflection of their brand. This is what pulled New Zealanders towards the AC: the ideal that a team from New Zealand, portrayed as the underdog, could take on the might and wealth of the world in such an exclusive arena and compete admirably. It was considered an expensive undertaking, but a small group of New Zealand businesspeople, including Michael Fay, believed it was viable and entry was a risk worth taking. What Fay was hoping to achieve in Fremantle in 1987 was not so much about sporting success as making a name for himself and New Zealand technology on a world stage. In order to achieve this, he first needed the backing of his countrymen. Fay sold the campaign to the nation, emphasising what success in the AC could mean for a small country such as New Zealand. Central to his campaigning for domestic support was the idea of nationalism and how the Bank of New Zealand Challenge was representing the entire country.

By the end of the first campaign in Fremantle, most New Zealanders, regardless of their sailing knowledge, were aware of what the AC was. Essentially, Fay had made the AC matter to New Zealand. Changes to the 1992 event saw the AC attempt to reach out to a wider audience. The development of new animation technology made the event more television friendly and the allowing of sponsors' advertising on boats. From a New Zealand perspective, a deal between sponsors and public broadcaster

TVNZ meant that the AC would remain in the public spotlight being broadcast free-to-air. For the first time in 1992, as part of a reflection throughout sport, sailors began to be framed as professionals as they were paid to ply their trade. A relaxation on nationality rules also saw the appearance of nationals sailing on foreign boats.

When New Zealand won the campaign in 1995, it brought with it many of the things that had been promised since New Zealand first became involved in 1987. The New Zealand economy, and in particular Auckland's, benefited greatly from the presence of the AC. However, when New Zealand was defeated 5-0 by an Alinghi crew with no less than five Kiwis onboard in 2003, questions began to be asked of the validity of having a New Zealand based entry in the AC. The fact that Alinghi was crewed by five New Zealanders and a number of other ex-patriots had also followed the money to sail for foreign teams' meant that nationality was no longer one of the key fundamentals of the AC.

This was compiled by the fact that Alinghi boss Bertarelli made no secret of the fact that he intended to make widespread changes to the way in which the AC was going to operate with visions of the AC becoming like the Formula One of the ocean. Although money had always been a fundamental component of the AC, under Bertarelli it became the main thing as he moved to transform the AC into a business-like structure. As part of his changes, he did away with the nationality rule, meaning that sailors were now available to the highest bidder. This further put into doubt the viability of having a New Zealand based entry in the AC as the countries top sailors were offered substantial pay packages abroad.

What had been central to the strength of Team New Zealand campaigns was the retaining of a key group of members from the campaign previous. Although the name of the team changed and sponsors and crewmembers came and went, they continued to be framed as the same team in the media. As an aside to this, the media had also remained constant in the way that the reported on the team, citing them as the national team of New Zealand. The team had generally always had a person who was well regarded and recognisable to the New Zealand public as a central member to their team. This had perhaps been lacking in 2004, but with Grant Dalton being placed

head of a potential 2007 campaign, the team once again had a recognisable, respected public figure as the head of their campaign.

However respected Dalton was, this did not transform into sponsorship for his campaign from the New Zealand private sector. With the campaign looking in limbo, many were surprised that it was the Government that came forward with the money to get the campaign up and running. Many questioned the use of public money to sponsor what was to them, essentially a sporting contest, and even more questioned why the money was not coming from sport funding agency SPARC, but rather Trade and Enterprise New Zealand and Tourism New Zealand. With no more significant funding coming from the New Zealand private or public sector, the team was forced to look abroad for sponsorship. Essentially, the key fundamental that had driven Fay's original campaign – naming rights sponsorship from New Zealand businesses – had disappeared.

The reasoning for the Government's sponsorship had little to do with assisting a New Zealand team towards sporting glory. If this was the case, then Emirates Team New Zealand would have had to go through the same funding processes to receive SPARC funding as all other New Zealand sporting ventures. Instead, the Government, was doing what Fay had told the nation to do 20 years prior: 'look at the bigger picture'. For the Government, they saw involvement in the AC as an opportunity to sell New Zealand, 'the brand' on the world stage. It was an opportunity to be involved in an event that would attract business people from across Europe and have them meet with their peers from New Zealand. It was also an opportunity to alert tourists who went to Valencia of what New Zealand could offer if they were to travel there. Of course, there were also the added benefits of the potential revenue that could be made out of New Zealand winning, seeing the AC return to New Zealand but that alone would not have been reason enough for the Government to put substantial funding into an AC campaign.

The content analysis of four of New Zealand's daily newspapers coverage of the AC revealed limited coverage of the Government's role in Valencia. This oversight by journalists could be attributed negative feedback in some facets of the media, particularly from columnists and political cartoonists in *The Press* and *Otago Daily*

Times. The fact that the Government's funding of the team was portrayed as negative in some facets of the media suggests a lack of communication on the Government's behalf at creating an understanding in the public sphere of what they were hoping to achieve from being involved in such an event. If more had been done to highlight their role then people may have been more receptive of their funding of Team New Zealand.

As already mentioned, Bertarelli had taken to running the AC as a big business. His key interest was in creating revenue from the event, which had seen nationality go by the wayside for a number of the teams. Team New Zealand, however, continued to be framed as a national team with the other teams in comparison receiving limited coverage in the national media analysed. The fact that the AC had become an unaffordable sponsorship option for most New Zealand businesses - hence a reliance on foreign backing to get to Valencia – was, at least as far as the media was concerned, a minor issue. Little was made of the fact that the naming rights sponsor, Emirates, was the national air carrier of another country, whilst other major sponsor Estrella Damm was a foreign beer company whose product is hard to come by in New Zealand. The fact that the Emirates Team New Zealand continued to be framed in the media as a national team could be linked to the past in that when the team was first put together in 1987 they were portrayed as a national team first and foremost. Throughout the changes that have taken place to the AC in the period since, a core of the team from the previous campaign have always stuck together, meaning they were conceived to be the same team so the media continued to frame them accordingly.

The journalists interviewed who worked in Valencia on the AC for various news outlets gave the general consensus that they were free to report on whatever aspects of the AC they liked away from racing. Typically, though, journalists agreed that time constraints gave them limited time to chase stories away from the racing and events directly linking to the racing, such as the court battles that ensued during the latter stages of the event. This was not to say that stories reporting the benefits that sponsors were reaping from involvement were not newsworthy, but rather, time constraints meant that it was not necessarily a viable option.

The media coverage would also suggest that the AC is overwhelmingly an Auckland thing. *The New Zealand Herald's* significant coverage of the AC, particularly in areas away from the racing, was unrivalled by the other three dailies. They were also the only newspaper analysed to send more than one reporter to Valencia, as well have a reporter based in Valencia for the longevity of the event. The fact that the Otago Daily Times at the other end of the country did not send a reporter to Valencia at any stage of the regatta and carried limited stories on the event, with even fewer away from race reports, could be read as a reflection of the interest the event holds for Otago Daily Times readers.

The fact that the AC is one of the few sporting events that public broadcaster TV One still has the rights to could also explain that whilst the print media would suggest that it is primarily an Auckland thing, TV One continues to sell it as an event of national significance. As they are putting so much time into broadcasting the event, they make it newsworthy by giving the event extended media coverage on their evening news bulletin to make the AC matter, or newsworthy. As the main rival to TV One, TV3 feels obliged to give the event similar coverage in their news bulletins so as not to lose viewers. Some would argue that if the event were to go to pay-television then the event would slip from the public consciousness, with there no longer being the same need on free-to-air television to entice people towards watching it.

New Zealand's involvement in the AC and the event itself are continuing to evolve, leaving this topic open for further research. With discussions suggesting that the AC will become an event that takes places every two years and with no signs of a return of the nationality rule, the validity of having a fundamentally national team competing in the AC with the assistance of the New Zealand Government will continue to be an area of debate. Whilst this thesis has mainly focused on the New Zealand press coverage of the AC, further research could be done on how foreign media frame the AC, analysing if they too frame the AC as a sport's event. Further research could also analyse if any foreign media assigns as many column centimetres to the AC as the New Zealand print media.

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Niall, Todd, journalist for Radio New Zealand.

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