Indonesian Journal of International Law

Volume 10
Number 1 *ASEAN's Role in Sustainable Development III*

Article 3

10-31-2012

CREATING A SUSTAINABLE INTER-CITY ASEAN FOOTBALL LEAGUE, REGIONAL TELEVISION PROGRAMMING NETWORK, (CONTENT/IP INDUSTRY) SPORTS TOURISM AND TRAVEL INDUSTRY AND DEVELOPING PRINCIPLES FOR A LEGAL FRAMEWORK TO ACHIEVE ECONOMIC AND SOCIO-CULTURAL INTEGRATION

Lim Peng Han
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Creating a Sustainable Inter-City ASEAN Football League, Regional Television Programming Network, (Content/ IP Industry) Sports Tourism and Travel Industry and Developing Principles for a Legal Framework to Achieve Economic and Socio-Cultural Integration by 2015

Lim Peng Han*

China is poised to be the second largest economy in the world and investment will continue flowing into its growing affluent and gigantic domestic market. It is not surprising that the total inflow of Foreign Direct Investment (FDI) into ASEAN from the years 2007 to 2009 significantly shrunk from US$74.3 billion to US$39.6 billion. In 2010 ASEAN broadcasters paid a total of US$182 million to enable 6 million subscribers to watch the English Premier League (EPL) games. ASEAN has the means to go on the offensive by creating its own Inter-City Football League consisting of 20 cities and 380 matches to be played over a ten-month period. The free-to-air live telecasts of the games can reach 139 million TV households and 89 million internet users. With an extensive audience, it is possible to earn US$45 million of TV revenue, one per cent of the total TV expenditure of ASEAN countries. Moreover, many indigenous or foreign sponsors will be interested to sponsor the tournament, stadiums, teams, and players, making a league a sustainable project. Every team has to play 19 home and 19 away matches. A sustainable intra-ASEAN sports tourism and travel industry will emerge when each of the 20 team's players, officials and supporters travel to the 19 cities for the away matches, fostering friendly competition and social integration. The stadium in each city no longer became "a white elephant" when the operators has to organised at least two matches a month. Traditional and contemporary song and dance shows organised before every match and telecast live can entertain and education a mass TV audience for cultural understanding and later, integration. The creation of an Inter-City ASEAN Football League would lead legal issues and challenges in the formulation of sports sponsorship contracts, regional broadcasting rights, management of stadiums and governance.

Keywords: *Sustainable development, ASEAN Inter-City Football League, economic integration, socio-cultural integration, television rights*

I. Introduction

The Association of Southeast Asian Nations (ASEAN) adopted the objectives to achieve economic and socio-cultural integration by 2015. This paper suggests factors that the Association will not be able to depend on Foreign Direct Investments (FDI) to achieve these objective. ASEAN should instead initiate a sustainable a twenty team ASEAN Inter-City Football League (AIFL) as a vehicle to initiate economic and socio-cultural integration since the teams and stadiums are already available.

Secondary data showed the AIFL's 20 380 matches to be broadcasted free-to-air have a potential reach of 138 million household TV sets and all the commercial eating places and 89 million internet subscribers within ASEAN. This research suggests that it is possible to initially obtain annual revenue of US$45 million by selling the free-to-air TV rights. This is only one per cent of the total TV advertisement expenditure in ASEAN revenue Therefore it is possible to secure sponsors for the tournament. Using comparative data from the European football leagues this study also shows that it is possible for each football club and teams to obtain sponsorship endorsement deals. The League will stimulate intra-ASEAN tourist travel when teams and supporters travel to the different venues. It will create in new industry in TV sports programming and maximise the use of each of stadiums since they will have to organise about two matches each month.

II.The Association of Southeast Asian Nations (ASEAN)

In 1967 the Association of Southeast Asian Nations (ASEAN) was established in 1967 by the foreign ministers of Indonesia, the Philippines, Singapore and Thailand and the deputy prime minister of Malaysia, to place regional reconciliation (in the wake of Indonesia's Confrontation of Malaysia). The Sultanate of Brunei joined ASEAN in 1984 (Leifer 1999, 50). Vietnam joined ASEAN as a member in July 1995 (Desai 2010, 400). The Laos People's Democratic Republic (PDR) was admitted in 1997 (Evans, 2002), followed by Burma/ Myanmar in the same year. Cambodia gained membership in 1999 (Heidhues 2000, 177-181). Hence ASEAN consists of ten countries namely Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, Philippines, Singapore, Thailand and Vietnam. Although ASEAN has a total population of more than 500 million as shown in Table 1, there are disparities in the Gross Domestic Product (GDP), per capita income and Foreign Direct Investment (FDI) among member countries.

At the Bali Summit in 2003, ASEAN Leaders declared that the goal of the ASEAN Economic Community (AEC) shall of regional economic integration (Bali Concord II) by 2020. The AEC intend to establish ASEAN as a single market and production base. At the 12th ASEAN Summit in January 2007 the Leaders agreed to hasten the establishment of the ASEAN Economic Community by 2015 and to transform ASEAN into a region with free movement of goods, services, investment, skilled labour and freer flow of capital (ASEAN 2008, 1). The Master Plan on ASEAN Connectivity was adopted at the 17th ASEAN Summit on 28 October 2010 to accelerate the community building process and integration efforts and intensify its relations with external partners. It identifies three dimensions: physical, institutional and people to people connectivity (Anon 2010, 1).

Table 1: Selected indicators of ASEAN countries

Developing countries	Population (million) [1]	Official languages	Currency	Per Capita Income (US $) [1]	Foreign Direct Investment [1]
Myanmar	59.5	Burmese	Kyat	420	n.a.
Cambodia	15.0	Khmer	Riel	693	313.5
Laos PDR	6.0	Lao	Kip	911	100.6
Vietnam	87.2	Vietnamese	Dong	1,120	4,310.0
Philippines	92.2	Filipino and English	Peso	1,750	732.0
Indonesia	231.4	Bahasa Indonesia	Rupiah	2,363	6,243.9
	491.3 (83%)				11,700.0 (32%)
Newly Developed Countries					
Thailand	67.0	Thai	Baht	3,950	3,511.8
Malaysia	28.3	Bahasa Malaysia	Ringgit	6,822	3,313.0
Brunei	0.4	Brunei Malay	Dollar (B $)	26.177	247.9
Singapore	5.0	English, Chinese, Malay, Tamil	Dollar (S $)	36,631	17,341.0
	100.7 (17%)				24,413.7 (68%)
	592.0 (100%)				36,113.7 (100%)

Sources: [1] ASEAN 2011; ASEAN 2010.

III. Obstacles to Economic and Socio-cultural Integration

However, there are still many recurring issues of economic connectivity and integration. For example, plans to upgrade the 38,400 km ASEAN Highway Network project, build the 7,000 km Singapore-Kunming Rail Link (SKRL) and designating 51 airports and 46 ports to form integral parts of the trans-ASEAN transportation network are hampered by many issues, particularly the need for effective coordination and financing (Bhattacharyay 2010). The total FDI inflows into ASEAN has significantly declined from US$ 69.5 billion in 2007 (ASEAN 2009) to US$ 36.1 billion in 2010 (ASEAN 2011). Therefore it is not possible for ASEAN to depend on FDI with the deepening instability, uncertainty and continuing weakness of the global financial markets and institutions unfolding among key players.

The US economy is caught in a debt trap. As the world's largest debtor nation, it is impelled to attract a net inflow of capital in order to finance its ever burgeoning cumulative current account deficits. At the same time, the US needs to ensure that the rate of return on US dollar assets is high enough to maintain this inflow of capital and prevent a loss of confidence in the US dollar. Since 2000 the US's net international investment position has deteriorated dramatically. Sooner or later the fall-out from the vast accumulation of private debt will precipitate a phase of quite severe debt-deflation (Lucarelli 2008, 34-35). Over 8 million jobs were lost at the height of the recession, but only one and a half million jobs have been added since the recession's trough. According to the US Department of Labour, Bureau and Economic Research there was 28.4 million unemployed and underemployed in March 2011 (Magdoff 2011, 24-25).

On 17 December 2009 Standard & Poor's dowugraded Greece's sovereign debt to BBB+, driving up borrowing costs. On 12 January 2010 the European Union (EU) formally condemns Greece for falsifying data on public figures and causing investors to dump Greek bonds (Kontogiannis 2010, 2). Without access to the US$ 150 bailout fund, Greece could run out of funds and pitch the fragile global economy into a fresh recession (McClatchy, 2011). See Table 2 for the ratio government debt to GDP of the US, Greece and Italy which have huge debts like Greece.

European officials have turned to China for help bankroll their plan to ease Greece's debt obligation and prevent its fiscal collapse. But China's US $400 billion sovereign wealth fund is fully invested and may not have the resources to make a significant contribution to Europe's bailout (Vaughan, McMahon and Davis 2011). At the same time China and the Asian Development Bank (ADB) have been developing a wide array of new linkages, alliances, interactions and interdependencies with the Greater Mekong Sub-region (GMS) nominally comprises of Cambodia, Laos, Myanmar and Vietnam (CLMV). About US$11 billion has been injected into infrastructure investment in the GMS region in the last decade. The idea of an ASEAN Community coming into being by 2015 is increasingly unlikely. The mainland Southeast Asian states are growing distant from the maritime ASEAN states. Together with China, these states are now forming a Greater Mekong Region, and the links being forged will override those existing and planned among ASEAN states. ASEAN is indeed dividing (Wade, 2011).

Table 2: The ratio of government debt to GDP in selected countries

Selected emerging	2001	2002	2003	2004	2005	2006	2007	2008	2009
Economies									
Indonesia	80	68	61	56	46	40	37	33	29
Malaysia	41	43	45	46	44	43	43	43	55
Philippines	63	66	71	70	63	55	48	49	49
Thailand	57	54	50	48	46	41	37	38	44
Advanced economies									
Southeast Asia									
Singapore	95	97	101	98	96	90	88	93	110
Far East									
South Korea	17	18	21	24	28	30	30	29	33
Japan	152	161	167	178	192	191	188	195	218
Europe									
Ireland	36	32	31	30	28	25	25	44	66
United Kingdom	38	37	39	40	42	43	44	52	68
Greece	104	102	97	99	100	97	96	99	115
Italy	109	106	104	104	106	107	103	106	116
Americas									
United States	55	57	60	61	62	61	62	71	84

Source: Abbas, S. A., Belhocine, N., El-Ganainy, A., & Horton, M., 2010.

IV. Total Annual Outflow of US$ 184 million to the English Premier League

Since its inaugural season in 1992, the English Premier League (EPL) football matches were broadcasted to 600 million homes in 202 countries. In the United Kingdom BSkyB paid US$2.6 billion for a three-year period (Spiegel 2008, 1). In August 2010 the EPL dropped from the schedules of many of its last remaining major free-to-air terrestrial television broadcasters and made it matches available through Pay-TV stations (Gold 2010, 1).

In October 2009, Singapore Telecom, with a TV subscriber base of 100,000, secured exclusive rights to broadcast 380 EPL matches for three years from August 2010 (Lim 2010, 1). *Business Times* estimated Singtel could have paid between US$150 million to US$300 million (Chai 2010, 1). TV provider, ASTRO was reported to have committed in excess of US$235 million to keep its exclusive rights to broadcast the 2010/2013 EPL matches in Malaysia (Jayaseelan 2010, 1). ESPN Star Sports (ESS) paid an estimated US$600 for the EPL rights across most of Asia for the same period (Hicks 2010, 2). In Southeast Asia ESS have the rights in Indonesia, Cambodia, Laos DPR, Myanmar and the Philippines. In Malaysia and Brunei, it works in partnership with Astro (AFP 2010, 1). In 2008 ESS sold the EPL exclusive rights to TV provider Aora in Indonesia for US$25 million (Latul 2010, 1-2). It may not be possible to ascertain how much in total the operators in Southeast Asia paid to the EPL and ESS for the 2010/2011 season. Using the secondary published data in the newspaper reports and in the internet, it is likely that the total amount could add up to US$182 to US$184 million per season.

V. Initiating the ASEAN Inter-City Football League with no infrastructure costs

The EPL can only reach a maximum of total Southeast Asian subscribers of about 6 million. Therefore it would be to ASEAN's interest to reduce or minimize this outflow of money by initiating its own ASEAN Inter-City Football League (AIFL) consisting of 20 teams playing 380 matches over a ten-month period. The AIFL free-to-air broadcast have a potential reach of 139 million households with TV sets. The TV audience can also reach all the commercial shopping centres and large and small inexpensive eating places, reaching the majority of the middle and lower middle income Southeast Asian population as shown in Table 3. Content can also be disseminated the League official website considering the regional internet penetration of more than 88 million is than the cable TV subscribers.

The AIFL will be able to begin with no infrastructure costs and can be sustainable and self-financing by obtaining sponsorship of the tournament, teams and marketing of free-to-air broadcasting rights. It can create a regional sports broadcasting and advertising industry, promote the selected cities and towns and stimulate the growth of intra-ASEAN tourism and transportation networks.

There are more than 40 professional or semi-professional football teams based in cities and towns scattered throughout Southeast Asia. Hence it is possible to select 20 teams with hypothetical mascots representing all ASEAN countries shown in Table 3.

Table 3 Population and media research of Southeast Asia region

	Population (2011) [1]	Cable TV	TV sets	Internet users (2008) [a]
Indonesia	231.4 mill.	0.5 mill. [°]	52.0 mill. [3]	33.3 mill.
Malaysia	28.3 mill.	0.5 mill. [°]	5.5 mill. [3]	13.0 mill
Singapore	4.9 mill.	0.7 mill. [2]	1.0 mill. [3]	3.4 mill.
Brunei	0.4 mill.	0.02 [2]	0.2 [a]	0.3 mill.
Thailand	67.0 mill.	0.8 mill. [2]	17.3 mill. [3]	10.2 mill
Vietnam	87.2 mill.	2.1 mill. [°]	21.4 mill. [3]	22.0 mill.
Philippines	92.2 mill.	1.2 mill. [2]	16.0 mill. [3]	6.2 mill.
Myanmar	59.5 mill.	0.06 [2]	25.7 mill. [2]	0.2 mill.
Laos	5.9 mill.	NA	0.3 mill. [a]	0.05 mill.
Cambodia	14.9 mill.	NA	NA	0.07 mill.
Total	591.7 mill.	5.9 mill.	139.4 mill.	88.72 mill.

Sources: [1]ASEAN 2011a; [2] International Telecommunication Union 2011 (selected pages);[3] Euromonitor 2010, 351; [°] internet (various sources); [a] International Telecommmunication Union 2009 (selected pages).

Table 4: Hypothetical teams and names

City/Town Team	Population	Stadium	Crowd capacity
Brunei			
1. Bander Seri Bagawan Swifts	0.3 million	Sultan Hassal Bolkiah	30,000
Cambodia			
2. Phnom Phen Rats	1.5 million	National Olympic	50,000
Indonesia			
3. Jakarta Rhinos	8.7 million	Bung Karno	100,000

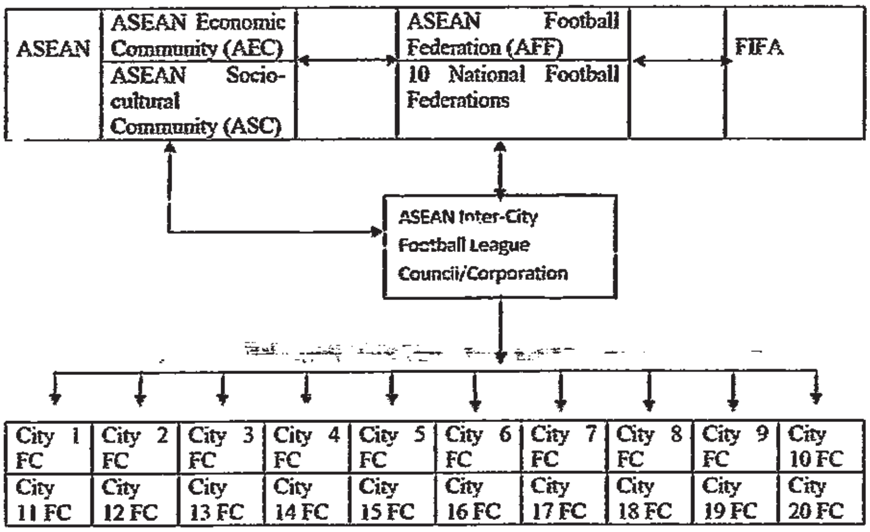
4. Surabaya Crocodiles	3.0 million	Gelora 10 Nopember	30,000
5. Medan Deers	2.0 million	Teladan	15,000
6. Makassar Whales	1.3 million	Mattoagin	30,000
Laos			
7. Vientiane Elephants	0.5 million	National Stadium	18,000
Malaysia			
8. Kuala Lumpur Tigers	4.8 million	Shah Alam	69,000
9. Georgetown Swifts	1.2 million	Negeri Pulau Pinang	40,000
10. Kota Kinabalu Sparrows	0.5 million	Likas Stadium	35,000
Myanmar			
11. Yangoon Pythons			
Philippines			
12. Manila Eagles	14.7 million	Rizal Memorial	30,000
Singapore			
13. Woodlands Deers	0.1 million	Jurong	6,000
14. Kallang Cranes	0.2 million	Jalan Besar	6,000
Thailand			
15. Bangkok Cobras	11.9 million	Rajamangala	65,000
16. Chiengmai Bats	0.9 million	700th Anniversary	25,000
17. Songkla	1.3 million	Tinasulanon	20,000
Vietnam			
18. Hanoi Hornets	6.5 million	National Stadium	40,000
19. Ho Chih Min City	4.9 million	Thong Nhat	25,000
20. Nha Trang Turtles	0.3 million	Nha Trang	25,000

Sources: Internet (various sources).

VI. Ownership of the AIFL

The ownership of the AIFL will be shared with the ASEAN Football Federation (AFF) and the other ten football associations in each ASEAN country as shown in Table 4. There is lateral communication and coordination between the ASEAN Secretariat and its AEC and ASC Committees as well as FIFA. The AIFL should be formed as a corporation and managed by a Chief Executive Officer (CEO) and marketing, operational, financial and administrative departments. A constitution for the management and running of the league will be formulated by all member countries and the AIFL management team has the legal authority to run the League, secure sponsorship as well the marketing of the properties of the League, including the TV and new media rights. See Table 5 for the general organization structure.

Table 5: Proposed management structure (Preliminary)



Note: FC means Football Club.

VII.Revenue from TV rights

In 2010 the month long AFF Suzuki Cup played among ASEAN countries became Southeast Asia's top rating TV programme with 192 million viewers in key markets. The audience's ratings of broadcasters RCTI in Indonesia, RTM in Malaysia, ABS-CBN in the Philippines, Mediacorp in Singapore, BBTV in Thailand, VTV in Vietnam and ESPN Star Sports' regional platform saw a 32 per cent increase from the 2008 Suzuki Cup. The second leg final alone generated a 79 market share while the second leg semi-final was RCTI's highest rated programme of all time with a market share of 82 per cent. In Malaysia, national free-to-air broadcaster RTM recorded shares of 40.3 per cent and 48.4 per cent respectively for each of the two final leg matches. Vietnam delivered the second largest viewership after Indonesia with a total audience of 74.5 million (Editor 2011, 1).

The proposed AIFL will stretch for 10 months excluding the pre-league and post-league publicity. Sponsors' branding on the perimeter boards place around the football field has the potential reach of about

139 million household TV sets throughout the region compared to EPL matches with a potential reach of 6 million household subscribers. Furthermore, the free-to-air matches can be seen in restaurants, fast food chains and the small eating stalls that have TV sets. It is possible to earn at least US $ 45 million from the sales of TV rights because this in one per cent of the total TV advertising expenditure in ASEAN. See Table 6 showing the AIFL has an advantage of reaching a wider TV audience than the EPL broadcast matches.

Table 6: Comparing Pay TV and free-to-air in Southeast Asia

Competition			
380 English Football League matches over a ten-month period	Outflow of revenue US$182-184 mill. (estimate) [1]	380 AIFL matches over a ten-month period	Inflow of revenue US$45 mill. * (estimate) [2]
5.9 million Cable TV subscribers		138.9 million TV sets	
Pay TV		Free-to-air	
Limited retail presence since bar and coffee shop owners have to pay licensing fees to show the EPL matches to its customers		Extensive retail presence since coffee shop owners have free access to AIFL matches.	

*Note: the US $ 45 inflow of advertising revenue is one per cent of the total advertisement expenditure in Southeast Asia for one year.
Sources: [1] Compiled from Hicks 2010, 1; Jayaseelan 2010, 1; Latul 2010, 1-2; internet (various sources); [2] Lim 2010, 70.

VIII. Revenue from Tournament Sponsors

Brand owners and corporate sponsors will be interested to be one of the exclusive product sponsor of the tournament because by sponsoring the AIFL no other competing brand is allowed to be a sponsor. If Toyota has agreed to be one of the tournament's official car sponsor, not other car brand is allowed to be the sponsors of the league. Sponsor have the rights to advertisement boards with the perimeter of the football field, display their products or services within each football stadium and their logos are featured in all advertisement and promotional materials related to the tournament. In addition each sponsor is given block seating for their VIP and corporate guests for all matches and each sponsor will be given priority to purchase block seats for corporate events and their distributors and dealers.

Sponsorship of the league allows sponsors like official car (Toyota), official bank (Maybank), official airlines (Thai Airways), and others, to combine and create powerful several advertising and promotion campaigns and consumer contests. The sponsorship fee for each sponsor could be US$1.5 million a year in cash or a combination of products and services and cash. Assuming there are ten sponsors coming on board the sponsorship revenue is worth US$15 million a year. Table 4 shows many potential local or foreign sponsors in their respective product categories and services. The sponsorship cost is within the means of large companies if we were to consider a Singapore telecommunication company paying about US$ 8 million a year for the F1 event (Lim 2010, 1). However, the actual live TV coverage was no more than two hours during the race day. The AIFL stretches over 380 matches over a ten-month period. In 2009 Malaysian Petronas paid US$24 million to sponsor the Yamaha racing team (Nigel 2009, 4). Therefore the initial proposed sponsorship fee of US$1.5 million can a seen as affordable and value for sponsorship money. See Table 7 for the potential list of sponsors. The brand names in bold indicate they were involved with football sponsorship in other countries or other football events.

Table 7: List of potential sponsors by product category (about 10 – 12)

Product	Southeast Asian/Asian brands			American/European Global brands		
Cars	Kia	**Suzuki**	Geeley	Ford	Skoda	Chevrolet
	Proton	**Hyundai**	**Toyota**	Alfa Romeo	**Opel**	Renault
Banks	Maybank	DBS	OCBC	HSBC	**ING**	**Stanchart**
Airlines	AirAsia	**Emirates**	Thai Airways	KLM	Qantas	United Airlines
Mobile	**Samsung**	LG	Huawei	**Motorola**	Nokia	NTC
Retail	Petronas	Pertamina		**Caltex**	Shell	Esso
Computers	Acer	Toshiba	Lenovo	HP	Dell	Apple
Lifestyle	**FBT**	Li Ning	**ASICS**	**Adidas**	**Puma**	**Nike**
Education	MDIS	Raffles Institute	LimKokWing Arts College	Monash	UNSW	Curtin
Consumer	Pokka	Sarsi	Indocafe	**Coca Cola**	**Pepsi**	Walls
Internet	Baidu	Sony		**Yahoo**	Google	Amazon
Telco	Telecom	Indosel	Singtel			

Note: Brands in **bold** refers to companies or brands have sponsored football tournaments, teams or players.

The sponsorship package of this League can provide many international companies or brands as well as indigenous Southeast Asian companies or brands widespread media exposure and presence in the region. The potential sponsors can plan and execute one integrated marketing and advertising sponsorship programme to reach 10 ASEAN countries simultaneously. They can have greater in roads paved by each respective country's football associations and partners (tourist associations, local media and distribution channels) to promote their brand and services. The Japanese, like the Chinese who have invested in the GMS, have 726 manufacturing companies in Thailand, 107 in Vietnam, 238 in the Philippines, 446 in Malaysia, 356 in Singapore and 453 in Indonesia (Gokan 2008, 252) and they with be interested to sponsor the AIFL to promote their products.

The sale of TV rights (US$45 million) and sponsorship fees from 10 exclusive product category sponsors (US$15 million) totaling US$60 million can be distributed to the 20 clubs for the duration of the tournament. In addition, each of the clubs would have their own funding through sponsors, gate receipts, club membership fees, the sale of merchandise and possibly, some local government funding.

IX. Management of Clubs and Sponsors

The Korean professional football league was launched in 1983. The most striking feature about the professional football in Korea is that large commercial corporations own all the teams except for two. The teams function as an advertising tool (Chun 2004, 122). The pattern of ownership of Japan's J-League clubs is a balance between local (city and prefecture) government and sponsors (Amara 2005, 199).

Therefore, the AIFL football clubs can each form corporate entities. But its ownership could also be shared between sponsors, local municipal government and each club's supporters. It is possible for each team to secure sponsorship as the official attire (like Adidas, Nike, FBT and Puma) as well as branding printed on the front of each jersey. The branding on the front side of each jerseys should cost about US$50,000 to US$150,000 per year, depending on the popularity of each team. Each team can also seek sponsorship by endorsing products not related to football or sports like jeans off the playing area or a particular soft drink like Pepsi or Coca-Cola. It is possible for each team to secure such sponsorship totalling at least US$100,000 per team.

These are modest projections if we were to consider the cheapest estimated shirt sponsorship for Blackpool F. C. And Wolves F. C. For the 2010/11 Premier League season is £400,000 a year. Thailand's Chang Beer paid Everton F.C. £2.6 million and Samsung paid Chelsea £13.8 million. The highest sponsorship fee was £20 million a year for Manchester United (Aon) and Liverpool (Standard Chartered Bank) (Glendinning 2010, 33). Spanish football clubs receive an average of 2 million Euros for the 2008/09 season (Ledwith 2010, 16). In addition Manchester United endorsed other product lines like Nike sportswear, Audi cars, Hublot timekeeper and Turkish Airlines (Lefton 2010, 2).

It is essential that each club has a sponsor's name, the city's name and its mascot's name. Maybank Kuala Lumpur Tigers is one example as shown in Table 5. This is to ensure that at all times the branding of the city stays all the time. In time to come many of the proposed 20 ASEAN cities will be as famous as Manchester, Barcelona or Liverpool, made famous by each of the city's football club. A mascot for each club is needed for merchandising purposes. In the event that there is no major team sponsor, the club can be called Nha Trang Turtles or Yangoon Pythons.

Table 8: Some examples of proposed club names

Sponsor	City/Town	Mascot
Maybank	Kuala Lumpur	Tigers
Kia	Nha Trang	Turtles
Samsung	Yangoon	Pythons
Canon	Bangkok	Cobras
Nokia	Vientiane	Elephants

Table 9: Possible revenue for each football team: sources of funding

	Team sponsorship			Individual sponsorship	
	Official wear	Jersey ad	Product	Equipment	Product
Examples	Adidas	Maybank	Levis jeans	Adidas	Shampoo
Examples	Nike	AIA	Soft drinks	Nike	Soft drinks
Examples	FBT	Bangkok bank	Breakfast cereals	Puma	Men's toiletries

Individual players can look for sponsors for the football boots they are using and also product endorsement. However, the sponsorship fees belonged to the individual player and not the team. See Table 9 for some examples of potential team and individual sponsors.

X. Team Merchandise and Retail Distribution (in Each Country and Airports)

An average K-League match attracts less than 10,000 spectators per stadium. Match averages in the J-League and Chinese League come close to 20,000 (Manzenreiter and Horne 2007, 568). The population of ASEAN cities varies from about 1.6 million in Kuala Lumpur to as high as 9.5 million in Jakarta and 11.9 million in Bangkok as compiled in Table 4. Therefore the number of spectators would vary from city to city. The sale of merchandise and mascots would also vary. The marketing plans should included distribution in chain stores and airport shops in the region. The production of merchandise for the clubs can create a merchandise industry by itself.

It is envisaged that the initial annual revenue of TV rights and tournament sponsorship fees totalling US $60 million as compiled in Table 9 will be sufficient to run and management the League. At the same time each individual clubs are expected to obtain their own funding through membership fees, merchandising and sponsorship that can vary from US$ 3.5 million or more.

XI. Centralised Control of Sponsorship Contracts to Present Ambush Marketing

During the initial stages of the League all clubs must agree that only non-conflicting brands or product category are allowed to sponsor the league, club and teams. For example of Toyota is one of the sponsors of the tournament, the club should not accept another car brand to advertise on the players' jerseys. These sponsorship principles are important to prevent ambush marketing by competing brands or products.

XII. Integrating a Ten-month Sports Tourism for the Ten ASEAN Countries

The ten-month ASEAN Inter-city league will stimulate the travel industry in air, land and sea transport as supporters of each club, travel to the 20 cities to watch the 380 matches over a ten-month period.

Table 10: Estimate revenue and expenditure of the football league and each club

Revenue of Inter-City League	US$
Product/Service sponsors	15,000,000
Sales of TV rights	45,000,000 *
	60,000,000
Initial set up to administer the league	10,000,000
Funding for each club at 2,000,000 per club	40,000,000
	10,000,000 (for contingency expenditure or development expenditure or prize money)
Revenue for each club	
Funding from central funds	2,000,000
Attire sponsor	100,000 (or more depending on each club)
Branding on jerseys	100,000 (or more depending on each club)
Gate receipts (19 matches X 10,000 per match less stadium expenses)	190,000 (or more depending on each club)
Fees from club membership	1,000,000 (or more depending on each club)
Sales of club merchandise	30,000 (or more depending on each club)
	3,420,000
Expenditure for each club	
Salaries for 20 players (30,000 a year)	600,000
Coach, assistant coach and two trainers	250,000
Two equipment staff (20,000 each)	40,000
Eight administrative staff (25,000 each)	200,000
Administrative cost of office and equipment	100,000
Miscellaneous monthly expenses (12,000 per month)	144,000
Medical and paramedical staff (total of 4)	150,000
Budget for medical expenses and insurance	200,000
Sub total to manage a team (A)	1,684,000
Travelling expenses to 19 cities	
20 players and 8 staff including coaches	
US$ 300 X 28 = 8,400 X 19 trips	159,600
Hotel expenses at US 100 per day for 4 days	
28 players X 100 X 4 X 19 trips	212,800
Sub total for travelling expenses (B)	372,400
Total expenses	2,056,400
Balance (for other unknown expenses)	1,363,600 (put to development cost if not spent).

Note: * The above are only estimate revenue and expenditure. The expenditure is slightly inflated to prevent under budgeting.

The influx of sports tourism in each city will help boost the local hotel and retail industries. It will also encourage inter-ASEAN tourism since the club supporters interest, time and money could be diverted into travelling to each city to attend the football than to travel out of the Southeast Asian countries. Table 11 show the intra-ASEAN and extra-ASEAN tourist travel in 2008 and 2009. The AIFL can encourage more intra-ASEAN travel.

Table 11: Tourist arrivals in ASEAN in 2008 and 2009

	2008			2009			
	Intra-ASEAN	Extra-ASEAN	Total	**Intra-ASEAN**	Extra-ASEAN	Total	**Intra-ASEAN (-) (Decrease)**
Brunei	98.0	127.7	225.8	77.7	79.7	157.5	20.3 (- 21 %)
Indonesia	2,774.7	3,654.3	6,429.0	1,582.4	4,869.6	6,452.0	1,192.3 (- 43 %)
Thailand	4,125.2	10,472.3	14,597.5	4,007.6	10,083.4	14,091.0	117.6 (- 3 %)
Vietnam	515.6	3,738.3	4,253.7	318.9	3,453.3	3,772.2	196.7 (- 38 %)
Philippines	254.1	2,885.3	3,139.4	-	-	2,705.0	434.4 (- 14 %)*
							Intra-ASEAN (+) (Increase)
Cambodia	552.5	1,573.0	2,125.5	692.8	1,468.8	2,161.6	140.3 (+ 25%)
Lao PDR	1,285.5	719.3	2,004.8	1,611.0	397.4	2,008.4	325.5 (+ 25%)
Malaysia	16,637.0	5,415.5	22,052.5	18,386.4	5,259.8	23,646.2	1,749.4 (+ 11 %)
Myanmar	462.5	198.3	660.8	524.0	238.5	762.5	61.5 (+ 13 %)
Singapore	3,571.4	6,545.1	10,116.5	3,650.9	6,030.3	9,681.2	79.5 (+ 2%)
			65,605.5			65,437.6	**167.9 (- 0.3%)**

Note: * Data for Intra-ASEAN travel in the Philippines for 2009 was not available.
Source: ASEAN, 2011b.

The inflow of sports tourists should significantly contribute to tourist spending in countries like Brunei, Cambodia, Laos, Myanmar and Vietnam, since the club supporters also visit other interesting or historical places in addition to watching the football games. Assuming if 200 supporters from each club travel to 19 away matches and each supporter spent US$300 in each city, the total expenditure adds up to US$1,140,000 in each city. Since there are 20 clubs the total expenditure spread to the 20 venues will work out to more than US$20 million. It can contribute to the tourist spending for each country shown in Table 11. Furthermore, there will be constant flow and exchanges of tourists from the rich ASEAN countries to the poor ASEAN countries. Every football stadium will have to organize close to two matches each month during the 10-month period. It can slowly encourage the growth of small businesses and the hotel and tourism industry.

Table 12: Tourist spending in ASEAN countries in 2008 in millions (US$)

	Brunei	Cambodia	Indonesia	Laos	Malaysia
Tourist receipts	324.74	1,258.67	5,178.22	261.07	14,306.36
Tourist spending	509.24	134.64	4,636.67	5.42	5,636.73
	Myanmar	Philippines	Singapore	Thailand	Vietnam
Tourist receipts	48.47	5,455.53	10,009.48	16,860.68	NA
Tourist spending	39.73	1,735.39	12,822.25	5,125.76	NA

Source: Euromonitor International 2010 (selected pages).

XIII. Social Cultural Integration

During the football season each visiting team and its supporters travelling to 19 other cities or towns enabling them to experience the many Southeast hospitality and culture. It is also possible to promote socio-cultural integration by having a one-hour traditional and modern cultural and musical performance from the many diverse communities one hour before each football game. This can effectively increase the speed of the integration process and also as a counter measure against the relentless flow of Western culture and consumerism into the environment and social-cultural space.

XIV. Conclusion

In order to achieve economic and socio-cultural integration by 2015, ASEAN will not be able to depend on FDI from the United States, Europe or China. The AIFL is an effective vehicle that has the potential to gradually position ASEAN into the world's media, sports and cultural programming, tourism and transportation landscape since there is no need for FDI and all the necessary infrastructure are already available. It is also sustainable League that can benefit ASEAN and its members through many linkages, connectivity and ways:

The League can become a regional sports and cultural programming block like ESS and perhaps much bigger. The League can create its own sports and cultural content that can reach more than 140 households when compared to 6 million cable TV subscribers (Table 2). The initial estimate sale of TV rights is only US $ 45 million, one percent of the total TV advertisement expenditure in ASEAN. It has the potential to increase rapidly because the programme has the potential to have high TV viewership or ratings. In the UK the EPL domestic TV rights revenue grew 15 times from US$62 million in 1992/93 to US$ 927 million for the 2009/10 season (Editor 2010, 28). Media companies (print and non-print) will support the League because they will save a lot of money by allocating time and space by featuring the League and its many local stories.

It will fast track broadcasting capabilities each of the every city or town will have to rely live matches through ASEAN. The programmes can also be exported to other regions or countries. The League can also create a new income generating platform for new media. There are about 89 million internet users in ASEAN.

Twenty teams and their supporters will be travelling to 19 other cities. This will stimulate intra-ASEAN travel, support air, land and sea transport and help the hotel and tourism industry to grow. We can never be certain if many of the proposed ASEAN infrastructure projects will benefit the local communities or the perceived benefits can filter down to the local communities in providing business and jobs. The impact of the League can permeate to all the 20 cities because when the visiting teams and supporters will spend on travel, accommodation, food and shopping.

The League will have a powerful platform to popularize traditional and modern Southeast Asian music and cultural performances by showing these programmes one hour before each of the 380 games are played.

The 20 ASEAN cities and its teams (KL Tigers, Hanoi Hornets or Surabaya Crocodiles) can be as popular as the cities and their football team in Europe (Manchester City, Barcelona FC or Chelsea FC). Many of the famous English clubs began about 100 years ago. The speed of popularity of the ASEAN cities and teams will increase rapidly because of today's pervasive media environment.

The consideration, formulation and implementation of the League is very much depended on the understanding and political will of the ASEAN members. The author hopes to do further research through interviews or surveys to gather opinions from stakeholders like the football associations, potential sponsors, broadcasters, media owners (print and non-print), tourist associations and hotel associations about the proposed League.

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Towards Liberalization of Services in ASEAN: Challenges and Opportunities of ASEAN Framework Agreement on Services (AFAS) on Tourism

IGN Parikesit Widiatedja *

The proliferation of liberalisation has been historically generated by the establishment of World Trade Organisation (WTO). Services sector was comprehensively regulated by General Agreement on Trade in Services (GATS). Regionally, AFAS was initially established to bolster the objective of GATS. In inward looking perspective, AFAS has underscored the increasing participation of ASEAN member states through strengthening their domestic services capacity, efficiency, and competitiveness. In outward looking perspective, it was intended to eliminate progressively any restrictions and internal governmental regulations in the transaction of services whose impact eventually emerged trade harassment. As a legally binding sector under GATS and AFAS, tourism is moving invariably to be one of the most dynamic sector of economic activity in ASEAN. Hence, it has cardinal role for sustainable socio-economic growth and the diversity in cultures, economy, and the complementary advantages across the region. This paper attempts to identify, decipher, and analyse meticulously challenges and opportunities of AFAS on tourism referring four modes of supplying services under article 1 of GATS encompassing: cross-border supply, consumption abroad, commercial presence, and natural persons presence. Intrinsically, ASEAN member states need to be strengthened and focused in achieving the target of a free trade area in services on tourism by 2015 as a pathway of anticipating liberalisation of services on tourism globally.

Keywords: *Liberalisation of Services, ASEAN, AFAS, Tourism*

I. Introduction

In the post industry era, a challenge ahead is obviously convoluted which is being permeated by liberalisation in myriad sectors. It had been commenced through comprehensive negotiation of trade in Uruguay Round when 123 nations committed unanimously to establish the World Trade Organization (WTO) in Marakesh, Morocco. That memorable moment could be a stepping stone of proliferation of liberalisation because of their substantial coverage encompassing investment in Trade Related Investment Measures (TRIMs), intellectual property rights in

* Lecturer at Faculty of Law Udayana University, Bali-Indonesia (ngurahparikesit@gmail.com)