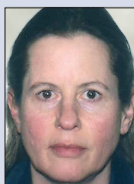


guest column

football clubs need to reassess gambling links

Sponsorship deals with online gambling sites are putting teams at reputational risk, argues Lisa Buchan



Lisa Buchan

Britons wager close to £50 billion (\$97bn) a year, and online betting – especially on sports events – is booming. According to recent research by the UK's Department of Culture, Media and Sport, there are 3.3 million regular online gamblers in Europe, and a third of them are in the UK. Punters increasingly find their way to gambling websites through links from

other sites, often those of mainstream institutions such as football clubs who, as 'affiliates', earn commission on any transactions that are generated via the internet.

Betting has become such an integral part of the British football scene that every premier league club website – with the notable exception of Everton – has links to 'official online betting partners'. Several premier league clubs also have shirt sponsorship deals with internet gambling sites: replica shirts bearing their logos are available in all sizes – including for toddlers. Building customers from the club's fan base via the website is a key component of internet gambling sponsorship. Young people account for a large portion of any club's supporters, and many clubs have a major drive on to build 'fans of the future' with free or heavily discounted tickets. Inevitably young supporters will consult club websites and buy strips with sponsors' logos. What influence does the promotion of gambling have on them?

Football clubs are not the only ones doing business with gambling partners. In other sectors, especially the media, there are similar marketing deals. The websites of all the UK tabloid newspapers and several of the 'qualities', including *The Guardian*, have links to online betting or gambling sites. But the issue is now coming to a head. Under the UK's new gambling laws, the Advertising Standards Authority is required 'to ensure that all gambling advertising is responsible with particular regard to the need to protect children, young persons and other vulnerable persons from being harmed or exploited by advertisements that feature or promote gambling'. Sponsorship, including links to online gambling sites, is not explicitly covered under the rules. Yet such arrangements are likely to come under the regulator's scrutiny on a case-by-case basis, as and when complaints arise.

Football clubs, several of which are public limited companies, are rightly proud of the good work they do with children in communities across the country. But before the Gambling Act takes full effect in 2007 it makes sense for them to engage in some 'joined up thinking' about the influence that gambling sponsorship and related marketing arrangements has on young supporters. In nurturing the next generation of football fans, clubs need to ask themselves whether they will also be helping to groom the next generation of gamblers.

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assurance

jargon-ridden statements confuse social report users

Opaque language and jargon are widely believed to undermine the assurance of corporate responsibility reports, a leading reporter in the field has warned.

Mobile phone company Vodafone says its own experience – allied to views gathered from interested parties – has shown that jargon in assurance statements 'tends to undermine [their] value and to confuse non-specialist readers'.

It says better use of language would make them 'easier to understand' for lay readers, and suggests a 'common standard' to reduce confusion.

Vodafone, commenting in a new paper on assurance issued as one of a series of *CR Dialogues* intended to stimulate debate, says assurance is 'valued by many stakeholders', but that 'some feel it adds little to CSR reporting', with 'inaccessible' language partly to blame. 'Terminology [in statements] such as "limited assurance" and "nothing has come to our attention" suggests the assurers have done less than they actually have,' it says. The company adds

that there is often not enough involvement of stakeholders in assurance, the scope of which is usually decided by the company and may not be what stakeholders want.

Report readers also become confused when only some information is assured, even if there are good reasons for this.

Malcolm Guy, director of The Reassurance Network, an assurance provider, told *EP*: 'The assurance standard (ISAE3000) developed by the accounting sector last year has provided a valuable framework, but appears to have restricted the content and tone of assurance statements, which are becoming increasingly guarded and heavily qualified. Our experience is that this trend has not been well received by stakeholders or by companies.'

Vodafone says companies and assurers should make more use of less formal assurance statements, such as testimonials from NGO staff, or academics, and run assurance in parallel with preparing a report to identify weaknesses early on.

Further information: www.vodafone.com

sustainability reporting

Xstrata is new face on short list

Mining group Xstrata has been short-listed for the UK Sustainability Reporting Awards, to be announced next March.

Xstrata, a Switzerland-based company listed on the London Stock Exchange and operating in 18 countries, is the one large company newcomer on the short list of 15, which is dominated by businesses that have featured prominently in the awards in recent years.

However, four small and medium-sized enterprises have made the short list this year – a figure not matched since 2003. They are FRC Group (furniture recycling), Shared Interest Society (fair trade investment), Traidcraft (fair trade) and Workspace Group (property).

The other short-listed companies are Anglo American, BHP Billiton, BP, BT, Centrica, Co-operative Financial Services, Guardian Newspapers, Shell International, Thames Water Utilities and Vodafone. The awards are run by the Association of Chartered Certified Accountants.

● The UK regional brewer Shepherd Neame is among nine companies short-listed in the CSR category of the inaugural European Business Awards, run by the UK-based communications company Quest Media with *The Wall Street Journal Europe*. Winners will be announced in Brussels in January.

Further information:

www.businessawardseurope.com