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**BY FAX: (021) 403-8231**

12 July 2006

Mr B M Khompela  
Chairperson of the Portfolio Committee for Sport and Recreation  
P O Box 15  
**CAPE TOWN**  
8000

Dear Mr Khompela

## **WRITTEN SUBMISSION TO PUBLIC HEARINGS TO BE HELD REGARDING SOCCER WORLD CUP 2010**

We refer to your letter dated 4 July 2006 in the above regard, addressed to Mr Peter Mageza.

The dawn of World Cup Soccer (WCS) 2010 in SA presents a myriad of opportunities as well as challenges. In light of the agreements made to conform to the legal requirements as per FIFA's standards, the most pressing issue for Absa is the stadia naming rights, as well as the hospitality privileges (suites) linked to stadia and stadia sponsorship.

The protection of WCS's rights rests with FIFA and it is our understanding that it has already been contractually agreed by the Ministry of Sport and FIFA that FIFA has the right to change the name of any stadium. As such, we appear to have been left little room to appeal, and limited leeway in terms of protection of our own stadia equity invested in to date and in the run-up to the WCS 2010.

Considering that the Confederations' Cup will be in 2009 in SA, it is alleged that the stadia naming rights of any organisation that is not an official sponsor/supplier of WCS 2010, will fall away approximately 3 months prior to the tournament. In light of FNB's announcement as one of the 2010 sponsors, any financial services organisation will be excluded from being associated with the tournament by stripping off any naming rights and access to hospitality suites in the stadia that will be used during the WCS 2010.

It goes without saying that the Absa Stadium in Durban will be the most obvious casualty in that Absa's investment will be impacted, with our organisation thereby losing immeasurable value in terms of exposure that may have been generated.

The investment in various stadia suites is another portal Absa used for customer relationship management purposes, and the removal of these rights will nullify any plans for interaction with our customers. The long term return on our investment in our customers through Absa's extensive suite activation strategy due to the investment Absa has made in sports, rugby and football, will not be realised with the exclusion as per FIFA's regulation and ticket allocation for matches and games.

The value which Absa has taken 10 years to build in terms of association with sport, will to a large extent be nullified, or at least compromised, by our exclusion to any association with this significant soccer show-piece. We therefore propose that the significant Absa investment in sport which has spanned over the years, be recognised by reconsideration of the agreement regarding naming rights, as well as suite and ticket allocation in the stadia where Absa has bought contractual rights to these.

With regard to the sessions to be held, please note that an Absa representative will be attending in order to observe the proceedings, however, if allowed a formal request can be presented to your committee.

I would appreciate your view in this regard.

Yours sincerely

A handwritten signature in dark ink, appearing to be 'LL von Zeuner', written over a horizontal line.

**LL VON ZEUNER**