

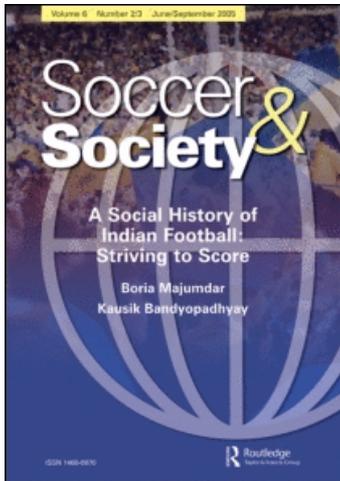
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The model of governance at FC Barcelona: balancing member democracy, commercial strategy, corporate social responsibility and sporting performance

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This article presents an in-depth case study of the governance of FC Barcelona up to the end of 2008. An historical account of how the membership-ownership model at FC Barcelona was threatened during the presidency of Josep Núñez between 1978 and 2000 is first presented. An analysis of the conditions over 2000–2003 which led to the election in 2003 of Joan Laporta as club president, on a radical platform for reform of the governance of the club, is then presented. A detailed analysis of the governance and management of FC Barcelona over the 2003–2008 period is then outlined, with the analysis focusing on four key strategic areas: the prioritisation of sporting success; the re-assertion of member democracy and improvements in transparency of club governance; the implementation of a commercial strategy designed to generate increased revenues; and the development of an innovative series of corporate social responsibility initiatives. The analysis concludes with a critical consideration of the reasons why the mutual ownership and governance structure of FC Barcelona does not appear to have hampered its ability to compete in financial and sporting terms and whether this model could be replicated in the English Premier League.

Between 2003 and 2008 a number of clubs in the English Premier League were the subject of takeovers by private investors, mainly from outside the UK; Chelsea by Russian oligarch Roman Abramovich (2003); Manchester United by the American Glazer family, owners of the Tampa Bay Buccaneers NFL football franchise (2005); Portsmouth by Russian émigré businessman Alexandre Gaydamak (2006 – since sold to a succession of other overseas investors before collapsing into financial administration); Aston Villa, by the American businessman Randy Lerner, owner of the Cleveland Browns NFL franchise (2006); Sunderland, by an Irish business consortium led by former Sunderland player Niall Quinn (2006 – since acquired by an American investor); West Ham United initially purchased as part of an Icelandic business consortium (2006) and now jointly owned by UK and Icelandic investors; Liverpool, by American businessmen Tom Hicks (owner of the Texas Rangers Major League Baseball [MLB] franchise and the Dallas Stars National Hockey League [NHL] franchise) and George Gillett (owner of the Montreal Canadiens NHL franchise [2007]); Manchester City, taken over by Thaksin Shinawatra, the former prime minister of Thailand (2007) and later sold to investors from Abu Dhabi (2008); and Newcastle United, owned by English sporting goods retail entrepreneur Mike Ashley (owner of the Sports Direct retail chain, and a

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number of branded sports goods companies including the Lonsdale boxing brand [2007]). A popular justification for such takeovers of English football clubs by millionaire private owners is that, in order to be successful at the highest level, a club needs to be able to attract major private investment to allow it to compete effectively in the international football player labour market; a club therefore needs to be constituted as a limited company by shares to allow new equity investment.

It is somewhat ironic that the first and third largest clubs in Europe in the 2006/2007 season, Real Madrid and FC Barcelona (as measured by financial turnover¹), are in fact not-for-profit sporting clubs owned by their members and are not private limited companies. This raises a critical question – how then can they afford to compete both financially and in terms of sporting performance when their mutually owned structure specifically precludes the raising of share capital to expand the financial base of their organizations? This article addresses this question in relation to the recent history of FC Barcelona (sometimes known simply as Barça).

Based in the Catalonian region of Spain, as of 30 June 2008, FC Barcelona had 162,979 members, or *socios*, with 17% being foreigners.² The *socios* pay an annual fee that gives them the right to elect members to the board, headed by a president, who together then oversee the administration of the club. FC Barcelona also represents a *polideportivo* – a multi-sports club – meaning that in addition to the football team, there are other professional teams in sports such as basketball, roller hockey, handball and futsal, as well as amateur teams in sports such as rugby, cycling, athletics, volleyball and baseball.³ The mutually owned FC Barcelona therefore effectively subsidises other non-football areas of sporting endeavour in the club. The club motto ‘*més que un club*’ – meaning ‘more than a club’ – reflects the fact that the role of FC Barcelona is not restricted to football, instead extending to all aspects of Catalan society. In effect, FC Barcelona is a cultural as well as sporting institution which enjoys a wider political significance in Catalan society; it is indeed more than just a football club, and certainly very different from a North American sports entertainment franchise.⁴

This article begins by briefly discussing the historical role of FC Barcelona as a symbol of Catalan nationalism, in particular during the years in which Spain was under the rule of the fascist dictator General Franco. It then considers how the membership model at FC Barcelona was threatened during the presidency of Josep Núñez who, between 1978 and 2000, ‘systematically eroded the democracy enshrined in the club statutes’.⁵ This led to the formation of L’Elefant Blau, an organization that campaigned for member democracy. The spokesman and key figure of L’Elefant Blau, Joan Laporta, was elected president of FC Barcelona in 2003 on a radical platform for change. At that point in time, FC Barcelona was in a precarious position, trailing Spanish rivals Real Madrid and other clubs in Europe in both sporting (having won no trophies for four years) and commercial performance (slipping to 13th largest club in Europe in terms of financial turnover⁶). This article considers the model of governance that Joan Laporta and his board of directors implemented at FC Barcelona over the 2003–2008 period, concentrating on four key strategic areas:

- (1) The prioritization of sporting success, with the playing and football management team rebuilt and refinanced with positive results. FC Barcelona won successive Spanish La Liga titles in 2005 and 2006, in addition to Europe’s premier club competition, the Champions League, in 2006 and again in 2009.

- (2) The reassertion of member democracy and improvements in transparency of club governance, and the establishment of a campaign – ‘The Big Challenge’ (El Grand Repte) – to increase club membership as a vehicle to build the financial strength of the club.
- (3) The implementation of a commercial strategy designed to generate increased revenues from off-field activities and improve financial performance. Between 2003 and 2008, financial turnover increased from €123.4m to €308.8m,⁷ indicating that the strategy had enjoyed some success and had not been impeded by FC Barcelona’s mutual ownership structure.
- (4) In tandem with an aggressive commercial strategy, the implementation of an innovative series of corporate social responsibility initiatives as part of a carefully crafted strategy designed to demonstrate that it is indeed an institution that explicitly recognises a set of wider social and cultural obligations.

This article concludes with a critical consideration of the reasons why the untypical mutual ownership and governance structure of FC Barcelona did not appear to have hampered its ability to compete in financial and sporting terms over the 2003–2008 period. It also reflects on what, if any, have been the consequences of an attempt to remove Joan Laporta as president of Barcelona in July 2008, two years before the end of his scheduled tenure. Does this demonstrate that the mutually owned model of ownership is inherently political unstable? Or is this just a manifestation of the normal ‘rough and tumble’ of football politics played out in a more accountable arena than might be found in a privately owned football club?

The article concludes by posing the question; could the mutually owned model utilized by FC Barcelona work effectively at a major English Premiership club?

FC Barcelona: the most vibrant institutional expression of Catalan nationalism

FC Barcelona was founded in 1899 by a Swiss businessman, Hans Kamper. However, upon his arrival in Barcelona he adopted the Catalan name Joan Gamper – the name under which he has been acknowledged as the founder of FC Barcelona.⁸ According to many texts which detail the club’s history, his identification and devotion to a Catalan nationalism ensured that the club became a symbol for Catalan society. It should be noted that the majority of published works on FC Barcelona have a tendency to be written by fans for fans and thus are predisposed to be somewhat enthusiastic about the club and its heritage, adding to the mythologies of the football club’s foundation. For example, few contemporary sources acknowledge the fact that Gamper actually left the club and ceased active participation in 1906.⁹ However, as a result of an economic downturn that led to large-scale unemployment and economic hardship, the football club was struggling for funding and support by the end of the decade. Football throughout the city went into brief decline and many clubs, like rival FC Català, folded altogether. Many club histories report that at a club meeting in 1908, with membership at just 34 *socios* and on the verge of disintegration, Gamper intervened and returned to the club promising to save it from insolvency.¹⁰

Reinstated as club president from 1908 to 1925, Gamper resurrected the club and ensured that it became the most important sports’ institution in the city. More importantly, he developed the club’s cultural identity and laid the foundations upon which FC Barcelona’s current identity and myths have been founded by exploiting the links between the football club and the Catalan nationalist movement. Through his aggressive

search for funding, Gamper promoted the team as a ‘Catalan’ club in order to garner support from Barcelona’s professional middle class who were increasingly mobilizing behind a nationalist ideology in the form of the Catalan nationalist and conservative Lliga Regionalista. Consequently, through cultivating a distinctly Catalanist identity, connections with the Lliga and the local government were developed and reinforced. With the Lliga in the ascendancy at the time, Gamper already had business connections with many of its key members who were also prominent professionals in the city.

However, it is undisputed that under Gamper, the club did eventually support initiatives designed to reinvigorate the cultural identity of Catalonia, e.g. campaigns for Catalan language schools, Catalan language courses for club members, and campaigns for independence from Spain.¹¹

The status of FC Barcelona as one of the most prominent symbols of Catalan nationalism resulted in a six-month ban being placed on the football club in 1925 following the military coup led by General Rivera and the subsequent sustained campaign against Catalan nationalism.¹² FC Barcelona suffered further during the harsh environment of General Franco’s fascist dictatorship when expressions of Catalan identity were suppressed as the regime moved swiftly to impose a broad spectrum of fascist symbols and rituals upon the sporting arena. The president of the Spanish football federation decreed that all clubs in Spain would be reconfigured in terms of ‘obedience, submission and military discipline’ in an attempt to mobilize and to forge the citizens of Spain in the national spirit and new values of the dictatorship.¹³ For instance, in order to remove all traces of regional identity, the Catalan club was forced to change its name to the more Castilian sounding ‘Barcelona Club de Fútbol’ and to remove the Catalan flag from the club badge, while the use of the flag itself at the club’s Nou Camp stadium was banned. The Franco regime was also responsible for appointing board members in a bid to counteract any future dissidence against the dictatorship regime.¹⁴ The club only reverted back to its original name of FC Barcelona following Franco’s death in 1975.

During the period in which General Franco was in power, FC Barcelona continued to strongly represent Catalan national identity and became a rallying point for regional identity and democratic values.¹⁵ For instance, the stadium became one of the only places where it was safe for Catalans to congregate in large numbers and speak their own language,¹⁶ and any win over Real Madrid was seen as a victory for democracy over the Franco regime, as Real came to represent the ‘tyranny of a politically centralised and culturally uniform Spain’¹⁷ for the Catalan people.

Following the death of Franco in 1975, political reforms in Spain restored rights and democracy to Catalonia. By the early 1990s, it was one of the most prosperous regions in Spain, its capital Barcelona being economically strong enough to stage the Olympic Games in 1992 and widely regarded as one of Europe’s most dynamic cities in terms of cultural and artistic vitality.¹⁸ Given that it is perhaps the region’s most iconic institution, it was therefore ironic that the extension of democracy to Spain and Catalonia saw a parallel erosion of the democratic rights of the members, or *socios*, to influence the administration of FC Barcelona, notably under the presidency of Josep Núñez (1978–2000).¹⁹

The struggle for member democracy: the Josep Núñez years²⁰

In 1978, Josep Lluís Núñez became the first president to be democratically elected by the entire membership of FC Barcelona since before the Spanish Civil War. Núñez

was the president of his family business, Núñez y Navarro, the largest construction company in Catalonia. He brought his business pedigree to FC Barcelona, replacing what FC Barcelona biographer and *Financial Times* journalist Jimmy Burns described as a ‘somewhat benevolent if patriarchal style of management with a sharper if more ruthless administration, with the emphasis on maximizing the club’s economic potential’.²¹ Of Basque origin and relatively humble beginnings, Núñez was not a member of the Catalan middle class that had traditionally been the driving force behind the club’s nationalist associations. He was keen to emphasize his differences from the old ideals and management styles and from the outset he made it clear that he would strive to de-politicize the club. This ‘de-politicization’ of the club was linked to a process of de-Catalanization that satisfied those who wished to see any nationalist associations relegated to memory as, it was argued, this handicapped the club’s ability to grow financially at a politically sensitive time when fears of separatism threatened to undermine Spain’s transition to democracy. However, during Núñez’s 22-year presidency, he also proceeded to undermine the membership model of ownership at FC Barcelona by reducing the rights of club members and eroding the democracy within the club statutes.^{22,23} The dilution of a strong Catalan identity, alongside the erosion of the club’s democratic principles would later form the bedrock of the staunchly nationalist Laporta’s opposition to Núñez.

During this period, the mutual membership model of ownership that characterized all Spanish clubs was already under threat from another quarter – poor financial management and lack of cost control discipline. In the absence of a strong central regulatory body to exercise some restraint over financial risk-taking, a dramatic rise in costs, financial losses and debt took place at most Spanish clubs, all of which were transparently unsustainable.²⁴ The Spanish government was forced to intervene. This resulted in legislative changes which effectively brought an end to the membership model of ownership at the majority of Spanish clubs. In 1990, the Spanish government created Sport Law 10/1990 – *ley del deporte* – to regulate the legal structure of professional football.²⁵ The new regulations ensured that all club debts owed to public bodies (taxes, social security payments, etc.) were passed over to the Spanish Football League (LFP), which represents the clubs in the top two divisions; a series of levies on the revenue of the Spanish football betting pools – the *quiniela* (a popular form of gambling on football) – were then rebated to the LFP and to its ultimate governing body, the Spanish Superior Sport Council (CSD), to repay club debts. In total, *ley del deporte* aided the survival of football clubs by contributing €192m toward cancelling debts.^{26,27}

The new regulation also required all professional clubs to convert into a new legal form, the *Sociedades Anónimas Deportiva* (SAD). A SAD was a joint-stock company with limited liability designed to increase financial accountability and ensure proper financial management. Initially, the share ownership in the new SAD structures was quite dispersed, but over time ownership has tended to become concentrated with the net result that by 2008, almost all clubs who converted to the SAD structure were controlled by high net-worth individuals, such as the Gil family at Atletico Madrid. It is also important to note in passing that the creation of the SAD structure has not resolved the chronic financial instability of Spanish football – Spanish clubs continue to make financial losses and run up huge debts,²⁸ which are then shed through the process of financial administration, as is also the case in the English Football League (the three divisions below the Premiership). In fact, it could be argued that the creation of SAD’s has been a failed strategy in terms of improving the quality of financial management and government of Spanish football clubs.

However, not all clubs converted to a SAD. Those clubs that recorded a positive balance in their accounts during the 1985/1986 season were allowed to remain legally constituted as member clubs. Of the 42 professional clubs in Spain, only FC Barcelona, Real Madrid, Athletic Bilbao and Osasuna were able to retain their status as member-owned clubs.²⁹

However, despite maintaining member-owned status, many of the *socios* at FC Barcelona were concerned about the lack of transparency regarding the administrative structures of the club. The assembly of delegates at FC Barcelona is a 3000-member body that operates as a parliament which has the power to censure the president and the board in the event they do not comply with the club's statutes. It also has the responsibility to appoint members of the economic committee to oversee the annual budget. Every two years, members of the assembly are picked at random. However, during the Núñez era, critics claimed there was a lack of transparency with regard to the process by which individuals were chosen for the assembly. The board also failed to reveal the list of assembly members (something that did not happen even in the Franco period) meaning that club members did not know who was representing their interests and who to approach to raise issues. Similarly, the list of actual members of the club was withheld on the grounds of privacy in order to avoid any unwanted commercial or political marketing. This made it virtually impossible for any competing candidate for the presidency of the club to then canvass members effectively in an election, thus providing a major advantage to the incumbent Señor Núñez. There was also an alleged lack of transparency regarding accounting procedures and the setting and monitoring of the annual budget, and the economic committee responsible for budgeting (chaired by Señor Núñez's son) was suffering from a clear lack of independence. The lack of transparent governance structures meant that although FC Barcelona was a members' owned club, President Núñez retained a high level of personal control over the management of the football club, with members unable to effectively exercise their democratic rights.^{30,31} Indeed, one former club director opined that as Núñez's term of office became more prolonged, '...his junta [board] became largely decorative...'.³²

In addition to the lack of transparency over club governance, there was also concern among many *socios* regarding the extent to which President Núñez wanted to introduce far-reaching commercial reforms to the football club which might erode its fundamental cultural identity. In public, Núñez rejected the idea that he wanted to float the football arm of the club on the Spanish stock exchange to raise additional capital; however, this option had been the subject of a feasibility study by the merchant banking group Rothschild.³³ In addition, as Burns³⁴ observed, Núñez was very impressed by a particular model of a football club:

That Núñez and some of his advisors saw Manchester United as a commercial model during the late 1990s was apparent in countless consultancy papers and feasibility studies they examined behind the scenes, which drew comparisons with the English club's more developed merchandising and corporate hospitality, and its marketing overseas. It was estimated that the gap between Barça and Manchester United in terms of merchandising revenue was around 30%.

Of course, Manchester United was a stock exchange listed public limited company, an increasing trend in the ownership of English football in the late 1990s, and went on to win the Champions League in 1999. The proposed Barça 2000 project intensified concerns regarding the commercialization of the club with the project set to convert

the area surrounding the Nou Camp stadium into a theme park with bars, restaurants and leisure facilities. The critics speculated that it would be difficult to achieve this ambition without resorting to external funding. In fact, an influential dissident group of *socios*, grouped under the L'Elefant Blau banner, saw the project as the first step in the process that would transform the FC Barcelona members' club to a company:

The idea behind 'Barça 2000' was to build a kind of Disneyland park surrounding the stadium with all sorts of bars, cinemas, shops and other facilities tangential to our club's vocation, which is (as declared by the first article of the statutes) the promotion, practice, diffusion and exhibition of football and other sports. If the proposal for 'Barça 2000' had gone ahead it would have paved the way for the conversion of the club into a joint-stock company.³⁵

Ultimately, the Barça 2000 project failed to materialize, largely due to the efforts of L'Elefant Blau, who organized a vote of censure against club President Núñez in 1997.

L'Elefant Blau

L'Elefant Blau was formed in 1997 as an opposition group to the presidency of Josep Núñez.³⁶ Their manifesto called for greater transparency in the club's accounting procedures and a limit on the presidential tenure to terms of four years.^{37,38} It was the fear that under Josep Núñez, the identity and purpose of FC Barcelona was moving toward an American-style entertainment model, which drove Joan Laporta, a lawyer, and other like-minded individuals, to form L'Elefant Blau. Incidentally, Laporta was Johann Cruyff's lawyer; Cruyff, of course, was one of the world's greatest footballers and effectively a naturalized Catalan and iconic former player and manager of FC Barcelona who had famously fallen out with club President Núñez.^{39,40} L'Elefant Blau was an attempt to re-assert FC Barcelona's identity as primarily a sporting and cultural institution, emphasizing that the main asset of the club was the *socios*.⁴¹

... this [the need to increase revenue] should not and cannot be used as an argument for cutting down the members' social and democratic rights. The club's main assets are its 100,000 members and its millions of fans. Similarly, the members are the club's only proprietors. No matter how much the club earns, the income of the whole club depends on its members, not on the television networks or on the sports equipment multinationals. That, at least, is our point of view....

The first course of action taken by L'Elefant Blau was to organize a vote of censure against President Núñez and the board. To organize a vote of censure, the statutes at FC Barcelona state that it is necessary to obtain signatures from 5% of the *socios*. However, the lack of transparency with regard to the membership base of FC Barcelona made it difficult to mobilize support. To ensure that L'Elefant Blau had sufficient signatures to put forward a vote of censure, members of the organization were positioned for a week on Las Ramblas, the main thoroughfare through the old historic section of Barcelona. In total, 6000 signatures were collected from *socios*, ensuring that a vote of censure went ahead in March 1997; of 40,000 voters, 15,000 voted in favour of the censure with 25,000 against.⁴² Despite being unsuccessful, the high-level of support for the vote of censure made it clear to Núñez that he could not take the club's membership for granted.⁴³ The Barça 2000 project would subsequently be abandoned.

Furthermore, following the sustained attempt to depoliticise the club, Núñez had succeeded in driving a wedge between the football club and the nationalist politicians

and affiliates who viewed Barça as an integral part of their cultural heritage. Jordi Badia – the communications director at FC Barcelona under Joan Laporta – referred to the atmosphere at the club and its relationship with the Catalan nation at that moment as a ‘social fracture’ and noted:

Núñez opted for open confrontation with the media ... the resulting conflict with significant sectors of the Catalan press marked the beginning of a period of political isolation for Barça, which over time, left the club in an opposing position to practically every single institution in Catalunya.⁴⁴

President Núñez resigned in 2000 after 22 years in the post and the shelving of the Barça 2000 project,⁴⁵ finally acknowledging his deep unpopularity among the club’s supporters, which had manifested itself during the club’s centenary (November 1998/November 1999) with violent crowd protests against his continued tenure. The election to replace him was won by Joan Gaspart, his deputy during his 22-year reign; L’Elefant Blau had supported the challenger to Gaspart, Lluís Bassat. However, it was a narrow victory – on a 49% turnout, Gaspart garnered 55% of the vote against 43% for Bassat. Upon gaining the presidency, Gaspart acknowledged the need to reunite the club, inviting Bassat to work with the new board.⁴⁶

However, Gaspart’s tenure was not a success⁴⁷ and can best be summed up by the following assessment by management accountants Deloitte:⁴⁸

[Since winning La Liga in 1998/99] ... the club had struggled on and off the pitch. Four successive trophy-less seasons culminated in an annus horribilis in 2002/2003, when they finished in sixth position in La Liga, their lowest position since 1987/88 – and only qualified for the UEFA Cup on the final day of the season. The club’s financial position was of equal, if not greater concern. Revenues of €123.4m (£85.9m) were less than half of Manchester United and left Barcelona in 13th position in the Football Money League. Player wages were €109.7m (£75.8m) or 88% of turnover, and the club’s operating loss was €72m (£50m). A number of years of ongoing losses had left the club 186m (£128.6m) in debt. The club faced potentially serious financial difficulties.

Essentially, poor financial management had left the club in a position where if it had been a normal business it would have been technically insolvent.⁴⁹ There appeared to be no clear business strategy. This instability was also reflected in the football management department where there were three separate changes of team coach (Serra Ferrer, Carlos Rexach and Louis Van Gaal),⁵⁰ yet the club still remained trophy-less.

However, due to a lack of sporting success and poor financial management, Joan Gaspart resigned as president in February 2003 to be replaced in the short-term by caretaker president Enric Reyna Martínez.⁵¹ In May 2003, President Martínez and his entire board resigned at an extraordinary general assembly of club *socios*, with an interim managing commission appointed to oversee the running of the club until the presidential elections in July.⁵²

The July elections were notable for two reasons. First, there were six candidates standing for the presidency, including Joan Laporta and Lluís Bassat, the candidate that L’Elefant Blau had supported in the 2000 elections. Laporta’s election campaign strongly promoted the traditional social role of the club and emphasized the importance of FC Barcelona as an expression of Catalan cultural identity and pride. His campaign slogan was ‘*Primer, el Barça* (Barça comes first)’.⁵³ Second, 54.7% of *socios* voted in the election – the highest ever turnout of club members. Laporta won by a clear margin, with 52.57% of the votes; Bassat was the nearest challenger receiving 31.8%.⁵⁴

The corporate strategy of the Laporta era

Following his election as president in 2003, Joan Laporta was confronted with a major management challenge.⁵⁵ The club was very heavily indebted and making a loss at the operating level (incurring the largest net loss in its history in 2002/2003),⁵⁶ but the option of bringing in new capital in the form of equity investment was ruled out. In order to restore the club to sound financial health, and generate the resources necessary to re-build the football team and generate sporting success, it was necessary for the club's new management not only to control costs, but critically to drive new revenue. As management consultants Deloitte observed, in 2003 FC Barcelona's financial turnover was less than half that of Manchester United.⁵⁷ But all of this was to be achieved within an envelope of respecting, and indeed enhancing, the central role of FC Barcelona in Catalonian cultural and social life. However, critical to the vision of Laporta and his new management team was the view that the commercial potential of FC Barcelona remained under-exploited. The example of Manchester United continued to loom large, just as it had in the Núñez era, as Laporta later remarked in an interview:⁵⁸

The idea was to position Barça back at the top of the world of sport and media. Manchester United charges €2 million for each friendly. Barça charges only €300,000. We must succeed in achieving a situation where a young boy in Singapore or Tokyo wears a Barça shirt and not a Manchester United shirt.

The strategy was therefore unashamedly commercial in terms of its intentions to globalize what marketing professionals might describe as the Barça 'brand'. While the new board held fast to the principle that FC Barcelona was 'more than a club' they were not sentimental about the means required to build the strength of the club. Critically, they saw the application of modern management techniques in all areas as generic, and not exclusively linked to the private limited shareholder-owned company model. The discipline of shareholder governance was not necessary to incentivize the management. That would come from the desire of the management, as fans of the club, to seek the best for the club as a sporting and cultural institution.

Joan Laporta's first decision was to appoint successful professional managers to key executive positions in the club from outside the football industry in order to draw on their business and entrepreneurial experience; although all were supporters of FC Barcelona, all were high-achieving professionals in their respective fields. He also took the decision that the board of directors, though unpaid (in fact, club directors must also put a guarantee of €1.5m against any possible mismanagement during their term)⁵⁹, would become involved with the day-to-day management and operation of the club rather than simply setting the strategic direction for an executive management team to implement. This was deemed necessary as an exceptional measure given the scale of the change management challenge the organization faced. Again, all directors were high achieving individuals with considerable business experience. During the early stages of implementation of the management model, Joan Laporta explained the changes:

The impact of the management team was one of renewal and even complete substitution, with the incorporation of new executives with expertise in each of the entity's fundamental areas. The management model we want to implement during this shock phase consists of directing the club with the entity's new executives and managers involved in management operations. One specific case is that of the economic vice-chairman, who is also acting as managing director. Each of the vice-chairmen directly intervene in

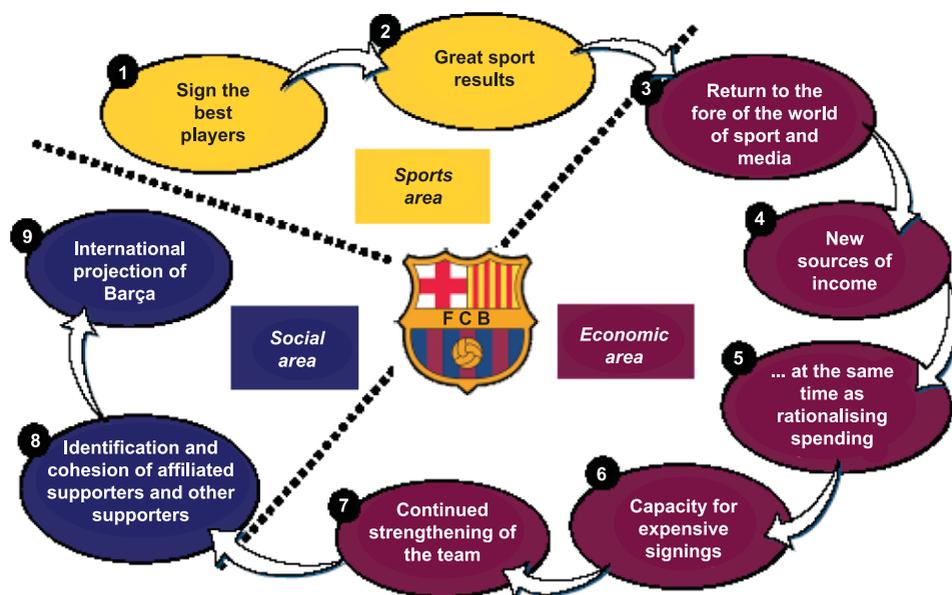


Figure 1. The virtuous circle of FC Barcelona (courtesy of Ferrán Soriano, vice president FC Barcelona, 2003–2008).⁶³

management and, as executive chairman, I coordinate the team as a whole. This is not an orthodox management model, but it has been necessary as a result of the extremely complicated situation in which we found the club.⁶⁰

Implementing this system meant that immediately on arrival, Laporta conducted a purge of the existing executive team, with seven of nine leaving the organization.^{61,62}

The new board of directors and executive management team were responsible for implementing strategic change in four key areas at FC Barcelona. First, restoring sporting competitiveness was prioritised. Second, the club sought to re-assert member democracy and improve the transparency of club governance, and to use this also as a vehicle to build the financial strength of the club. Third, a commercial strategy was implemented to generate revenue from off-field activities and improve financial performance. Fourth, steps were taken to ensure that the club balanced the need to build its commercial strength by addressing wider issues of corporate social responsibility. The detail of how these four strategic aspects is summarized in Figure 1.

Each of these four strategic aspects will now be interacted with and examined in turn.⁶⁴

Sporting performance

As is the case at any football club, achieving sporting success is a (if not the) primary objective. Part of the reason for the continuing influence of Dutchman Johann Cruyff in the politics of FC Barcelona is that in his first season with FC Barcelona in the 1973/1974 season, the club won its first La Liga title since 1960. He subsequently went on to manage the so-called 'Dream Team' which won four La Liga titles from 1991 to 1994 and a European Cup in 1992 (and were European Cup runners up in 1994). Although they won La Liga again in 1998 and 1999, and the European Cup

Winners Cup in 1997, as they entered the new century there was a popular perception that the club was stagnating on the field of play.

Between 2000 and 2003 in particular, the presidency of Joan Gaspart was characterized by a high level of sporting instability with three coaches employed in three seasons (Serra Ferrer, Carlos Rexach and Louis Van Gaal), high spending on transfer fees, and a failure to win any trophies. At the beginning of Laporta's tenure, it was a measure of how far the stature of the club had fallen during the Gaspart era that they would be snubbed by David Beckham in favour of Real Madrid.⁶⁵ This followed the decision of Portuguese star Luis Figo to leave FC Barcelona in 2000 for Real Madrid, creating the impression that FC Barcelona was a club that the best players moved on from to fulfil their potential.

Under the presidency of Joan Laporta, the sporting performances of FC Barcelona improved significantly. Even before he was elected, the ultimately unsuccessful attempts by Laporta to secure the transfer of David Beckham from Manchester United demonstrated his understanding of the critical importance of building a strong team in order to compete successfully on the field of play as a prerequisite for driving all other revenues.⁶⁶ Having failed to sign Beckham, FC Barcelona went on to sign Ronaldinho from Paris St. Germain. In the view of management consultants Deloitte, this policy of immediate squad investment, 'Although carrying greater financial risk ... delivered better prospects for the club on the pitch'.⁶⁷ This of course was an essential prerequisite for driving commercial revenues from TV broadcast income to sponsorship to ticket sales to merchandising. As FC Barcelona's marketing vice president observed shortly after the Laporta presidential era began, '... the best promotion is a good performing team and a great show on the field'.⁶⁸ Furthermore, the attempt to sign David Beckham was paradigmatic of a strategy for the club to raise its profile on a global scale.

Kase et al.⁶⁹ analysed the sporting strategy of FC Barcelona between 2003 and 2006. They illustrated that the appointment of the Dutch coach Frank Rijkaard in 2003, and the decision of the club board to support him through an initial fallow period, resulted in a level of continuity and stability at the club. Rijkaard developed a playing squad that was evenly balanced between junior players from the youth academy and a number of top international players supplemented with a small number of world-class players such as Ronaldinho and Samuel Eto'o. FC Barcelona has now developed a strong youth development system,⁷⁰ and recently graduated the talented Argentinean Lionel Messi who came through the system and therefore under the category of 'home-grown' talent. In contrast to the 'galactico' policy implemented by Real Madrid (whereby a series of truly global superstar players were signed), the sporting strategy of FC Barcelona emphasized the importance of the team, rather than a collection of individuals.⁷¹ The Laporta team identified that any strategy that was dependent upon the marketability of star players could easily be destabilized by rapid changes. For example, a star player might damage the brand image by having an extramarital affair, suffer a long-term injury or worse still, transfer allegiance to a rival club. It became apparent that the strategy of defining the brand on the back of individual media stars carried unpredictability and, although it permitted market penetration, it was precarious in terms of market retention. This was to prove to be the case with the Real Madrid *Galactico* experiment. In contrast to Real Madrid, FC Barcelona director Marc Ingla told the leading Catalan language newspaper *Avui*:⁷²

A survey has shown that in the emerging markets of China and Japan, there are at least 21 million people who say that they identify more strongly with FC Barcelona than any

other club. The study also revealed that these fans identified more strongly with the identity of the club than with any one particular player. This is the key to the Barça brand and what makes it much stronger than if these fans followed one player – like David Beckham at Madrid. What happens to all of these supporters – female supporters – when that player leaves for another club? He takes his fans with him.

It appears that it became apparent to Ingle that, unlike Real Madrid, Barcelona's brand strength was embedded in the image of the football club itself rather than in the stars that it could recruit.

It is important to note that having appointed their manager, Laporta and his team were prepared to give him not only resources, but critically time, to make the team work on the field of play. This strategy proved highly successful, with FC Barcelona winning successive La Liga titles in 2005 and 2006, the Champions League in 2006, and the Spanish Supercup in 2005 and 2006.

Performance dipped in 2006/2007 and 2007/2008 with FC Barcelona finishing second and third respectively in the La Liga, and exiting the Champions League in the last 16 and semi-final; however, when measured against performance in the Gaspart era, it was still highly creditable and the club is now again acknowledged as amongst the most powerful in sporting terms in Europe. For the 2008/2009 season, after five seasons in charge, Frank Rijkaard was replaced by the reserve team manager, former player and – significantly – product of the youth system and a Catalan, Josep Guardiola, demonstrating that even in transition, there appeared to be an emphasis on maintaining stability, continuity and the club's identity. Critically, the member-owned structure of FC Barcelona had not proved an impediment to hiring and retaining high-quality players and management and to securing success on the field of play.

Member democracy

FC Barcelona had nearly 163,000 members (*socios*) at the end of June 2008.⁷³ Adult membership cost a fee of approximately €175 in 2008.⁷⁴ It entitled the *socios* to vote for the club president every four years at the presidential elections. *Socios* are also able to vote on a range of other issues. For instance, in 2003 members voted to allow shirt sponsorship for the first time in the club's history.

FC Barcelona is also governed by an assembly of delegates – a 3000-member body – made up of club members drawn at random by computer, members of the board of directors, former club presidents, members of the disciplinary committee, members of the economic commission, and up to 25 members chosen by the board of directors. It is only when one tries to imagine the implications of the application of such a system at a club in Britain that its extraordinary radicalism becomes apparent. For example, imagine if Malcolm Glazer and his board of directors had to stand for election every four years and account for their stewardship of Manchester United to an assembly of United supporters?

During the 22-year presidency of Josep Núñez, a lack of transparency over the governance of FC Barcelona and the inability of club *socios* to exercise their democratic rights were key concerns. Joan Laporta and his fellow directors sought to increase the level of transparency between the football club and the *socios* by improving communication channels. Every two months, a magazine is published in Spanish and Catalan and sent to all *socios* informing them of the latest developments at the club. Members with an email account also receive an electronic newsletter every

month and news bulletins are sent via email. Barça TV, the club's designated subscription-based TV channel, is the official communication link between the football club and supporters, offering 10 hours of daily broadcasting to 40,000 subscribers.⁷⁵ There is also a degree of candour expressed in much of the commentary on club affairs in news coverage on the FC Barcelona website, which is extraordinary by the standards of English Premier League clubs.⁷⁶

However, the new board were not only interested in promoting member democracy for its own sake or as a bulwark against any future dilution of FC Barcelona's wider social and cultural mission. They also explicitly sought to turn the fact that FC Barcelona was a democratic member-owned organization to the club's financial advantage by seeking to increase the number of *socios* through a huge membership recruitment drive called *El Gran Repte*, or 'The Great Challenge', designed to increase both the number of members and supporters' clubs. In a 2004 interview, Joan Laporta observed that for every 10,000 extra *socios* recruited, the club received 1m in additional revenue in membership fees.⁷⁷ Another board member, Marc Ingla, commented:

FC Barcelona's competitive edge is the level of adhesion and identification of its affiliated supporters and other supporters with the club and the close link that is generated between the two.⁷⁸

Of course, these were all committed supporters to whom various FC Barcelona goods and services could be sold. A designated supporters' office was established to drive forward the project. The success of the project can be gauged by fact that on 30 June 2008, FC Barcelona had 162,979 members, with 17% being foreigners,⁷⁹ up from approximately 105,000 in 2002.⁸⁰

In an interview with the respected sports' journalist David Conn, in an article for the *Guardian* newspaper in the run-up to the 2006 Champions League Final with Arsenal, FC Barcelona's Finance Director Ferrán Soriano observed:⁸¹

The need for the [FC Barcelona] Board to be accountable and stay popular with the fans means that season tickets are affordable compared with other major clubs, with the cheapest E101 (£69), enough to make the holder of a seat at Arsenal's new Emirates Stadium weep into his credit card statement. 'It is a challenge to remain member-owned and compete against the richest clubs,' Soriano said. 'For example, we run other sports, like handball and basketball – which make a loss – because our constitution states we must promote all sport in Barcelona. But we do compete, with pride in who we are, our history and values. Our supporters would feel alienated if we had a structure like Arsenal or Chelsea... The fans truly own this club... They control its destiny and can decide how it will be managed. This is totally different from Arsenal (two-thirds owned by ITV [the UK broadcasting company], businessmen Danny Fiszman and David Dein, and Lady Nina and Sir Charles Bracewell-Smith) or Chelsea, owned by one guy who could one day withdraw his investment.

Ferrán Soriano cited Roman Abramovich, but could he have not just as easily cited the Glazer family at Manchester United?

Further evidence of the distinctive relationship the club enjoys with its supporters can be seen in the mission statement of the Social Commission, the club department charged with the maintenance, promotion and development of the club's relationship with the FC Barcelona Official Supporters Clubs (*Penyes*). As outlined on its website:⁸²

Its objectives include transmitting and promoting the historic values and meaning of FC Barcelona, such as: civilian duty, social integration, democracy, Catalanism, universality

and others that reflect FC Barcelona's commitment to society. Another objective is to assist with and actively develop the global position and solidarity of being 'more than a club in the world' and the [the FC Barcelona's charitable] Foundation's projects such as UNICEF and Solidarity Schools.

Again, it is only when one attempts to translate this mission statement into the context of an English Premiership club that the sheer scale of the difference and radicalism becomes obvious. Although the new board of directors sought to derive financial strength from the members' owned model, the model brought with it very specific social obligations, and also to some extent constrained the board's room for manoeuvre in some key commercial areas. This meant that the club could not seek to invite external equity investment to raise funds as this would compromise the mutual ownership structure. They also had to seek the specific permission of the members through a ballot if they were to put a sponsor's logo on the team shirt. Similarly, the board was constrained in the extent it could increase ticket prices for fear of a backlash by members inviting a vote of censure by the governing assembly of the club. These were all challenges that the private owners of an English Premier League club do not have to manage.

Commercial strategy

The new board of FC Barcelona implemented a strategic plan which aimed to generate increased revenue from off-field activities, in particular by increasing the proportion of revenues generated internationally. The strategy proved very successful.

As illustrated in Figure 2, revenue rose between 2002/2003 and 2007/2008 from €123.4m to €308.8m, a growth rate of 250%. The club moved from being the 13th largest in Europe in terms of financial turnover to the third. Figure 2 also illustrates that over the same period the club made a consistent profit each year, in contrast to the 2000/2001 to 2001/2003 period where losses were made in two out of three years.

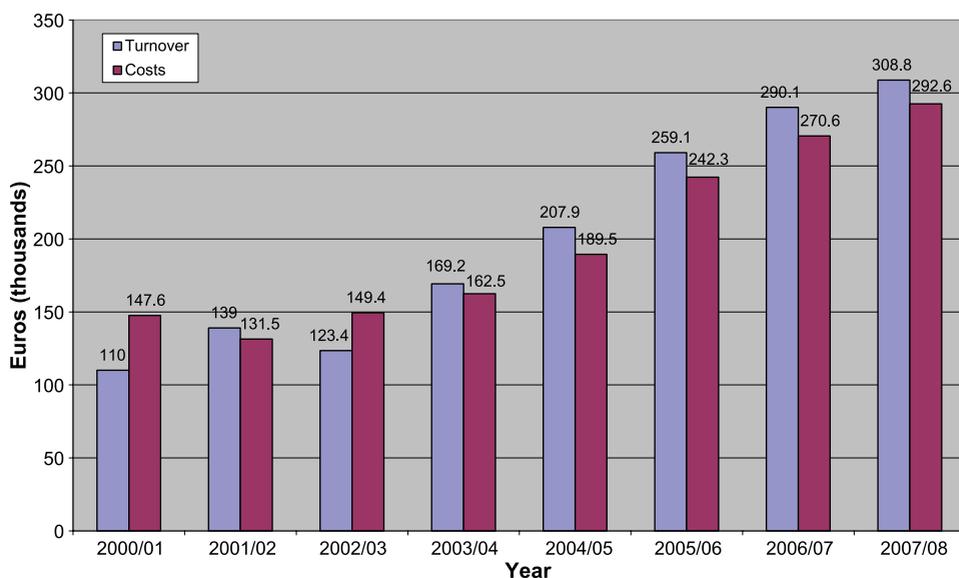


Figure 2. FC Barcelona's cost management and revenue generation 2000/2001 to 2007/2008.⁸³

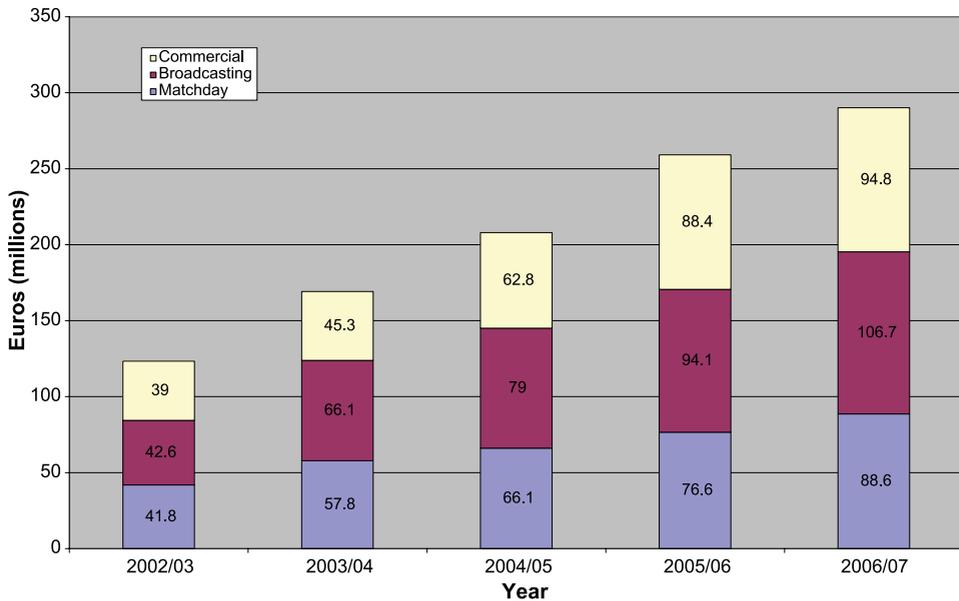


Figure 3. FC Barcelona's revenue generation by category 2002/2003 to 2006/2007.⁸⁴

As illustrated in Figure 3, it also managed to operate a balanced revenue model with income split evenly between match-day, commercial and broadcasting revenues.

There were a number of key factors underpinning the commercial strategy of FC Barcelona that were instrumental in improving financial performance. These included improved cost control, increasing broadcasting revenues, increasing club membership, and a marketing strategy focused on merchandising and the development and promotion of the club brand.

One of the first moves by the new regime was to stabilize and refinance the club's debt under the leadership of Finance Director Ferrán Soriano.^{85,86} Debt was refinanced on less costly terms following an agreement with a syndicate of financial institutions led by its main bank La Caixa. This meant that, despite the heavy overall level of debt, the club was able to have some room for manoeuvre in terms of investing in the playing squad.

Cost control was a major problem in 2003; player wages increased from 66% of revenue in 2001 to 83% in 2003. To address this, a performance related pay scheme⁸⁷ was introduced and by 2004, player wages had been reduced to 52% of turnover, further reduced to 49% in 2005.⁸⁸ Deloitte reported that 18% of the club's 2005/2006 wage bill was related to the team's on-pitch success, whilst another 18% was related to player performance.^{89,90} The decrease in player wages relative to revenue enabled FC Barcelona in 2005 to deliver a balanced budget for the first time in four years.⁹¹ A similar performance-related pay system was introduced for management executives, and significant savings were made by virtue of the fact that the *de facto* executive board members were not paid. Essentially, the new board aimed to move to a break-even operating position in their first year of tenure. Interestingly, they also addressed the issue of free tickets. Allen and Recuero (2005) reported that:

Another of the measures taken by the [new] board was to review the guest and invitation packages implemented by the previous directors. Up to the previous season [2002/2003].... The club gave away 4,800 tickets, 600 season tickets and 1,500 invitations. The directors used most of them, as they did almost 600 tickets to the chairman's box...⁹²

Similarly, Laporta made a point early in his tenure of confronting the hooligan fringe of FC Barcelona's support, the so-called 'Mad Boys',^{93,94} refusing to offer tickets and other favours in return for good behaviour and essentially banning them from the ground. This led to threats of physical violence against him with allegations that previous employees and directors of the club were at least in part fermenting this hostility against Laporta in particular.⁹⁵

Critically, the new board adopted a forensic approach to cost control across the organization. They were equally aggressive in their approach to revenue generation. Figure 3 illustrates that between the 2002/2003 and 2006/2007 seasons, broadcasting revenue at FC Barcelona increased from €42.6m to €106.7m. Spanish football clubs are allowed to sell their broadcasting rights individually, with FC Barcelona able to charge a premium price for the rights to show their matches, many of which are sold on a pay-per-view basis. Barcelona also runs its own Barça TV channel, which is reported to be profitable. Initially, the large increase in broadcasting revenues came from a negotiated five-year broadcasting deal with Televisió de Catalunya in 2003, worth a reported €54m a year. In 2006, the Mediapro company took over the contract from Televisió de Catalunya, paying €210m for the remaining two years of the contract⁹⁶ while also signing up to a future agreement which will pay over €150m per annum from 2008/2009.⁹⁷ In addition, the club generated significant media revenues from its consistent participation in the latter stages of the UEFA Champions League. Essentially, from 2002/2003, FC Barcelona's management were able to dramatically increase the value of the rights to broadcast the team's matches in the marketplace, and the success of the team on the field of play saw it broadcast more frequently thus boosting revenue further.

Between 2002/2003 and 2006/2007, FC Barcelona increased match-day income from €41.8m to €88.6m.⁹⁸ This was driven by increased club memberships and gate revenue. In 2003, club membership stood at 106,000 *socios* and 'The Big Challenge' (*El Grand Repte*) campaign was launched with the objective of increasing club membership. As mentioned above, between 2003 and 2008, membership rose substantially to approximately 163,000. It is perhaps not unreasonable to speculate that the rise in membership might have been a key factor in the 12.7% increase in attendance figures between the 2002/2003 season and the 2005/2006 season.⁹⁹

FC Barcelona had 85,000 season ticket-holders in 2005/2006. A scheme to facilitate the resale of up to 5000 tickets was implemented with the club receiving 50% of the proceeds. Deloitte reported that combined ticket and hotel packages target overseas supporters. 'Other stadium related revenues have increased from €4m in 2002/2003 to €21m in 2005/2006, by marketing the stadium and its facilities as a venue for conferences and conventions, while stadium tour revenue continues to grow. In 2004/2005, 36 new executive boxes were created and these have all been sold for the past two seasons. The club is investigating options to expand corporate facilities at the stadium, and the stadium capacity overall'.¹⁰⁰ Indeed, the Nou Camp stadium was already the most visited museum in Catalonia.¹⁰¹ The average attendance at La Liga games in the Nou Camp in 2006/2007 was 74,100. In 2007, the club announced plans to redevelop the stadium adding 10,000 seats and taking capacity above 100,000.¹⁰² The scale of their ambition was underlined by the fact that the contract to remodel the

stadium went to the firm of award-winning architect Norman Foster.¹⁰³ The new stadium was not just to be a vehicle through which to drive increased revenues, but a statement of architectural and cultural, as well as sporting, pride and power. Again, it is hard to imagine any English Premiership club demonstrating the same dramatic sense of wider cultural significance of being 'more than just a football club'. However, it is also worth noting that as of December 2008, no start date for the project had been announced nor had the nature of the associated financing package.

Interestingly, FC Barcelona did not pursue a policy of maximizing ticket prices at levels the market would bear, as has been the case with English Premiership clubs. Although ticket prices, and the price of membership of the club, increased significantly in the 2003/2004 season as a short-term measure necessitated by the club's financial crisis, tickets were still very inexpensive when compared with tickets in the English Premier League.¹⁰⁴ Instead, there appeared a deliberate policy of pitching ticket prices at very affordable levels so as not to exploit the loyalty of the *socios*, or perhaps, as outlined above, to incite their dissatisfaction. It is worth noting that if such an aggressive ticket pricing strategy were to be adopted, then the club management would be open to censure by its members through the Members' Assembly. David Conn, in an article in the *Guardian* newspaper written just before the 2006 European Champions League final with Arsenal, observed that the cheapest adult season ticket in Barcelona's Camp Nou stadium was £69, while the equivalent at the Arsenal's Emirates stadium was £885. The most expensive adult season ticket at the Camp Nou was £579 whilst the equivalent at the Emirates was £1825.¹⁰⁵

The club also pursued an aggressive commercial/sponsorship strategy, leading to a rise in revenues from €39m in 2002/2003 to €94.8m in 2006/2007.¹⁰⁶ In 2006/2007, the club notably extended their kit-manufacturing deal with Nike to June 2013, a deal worth a reputed €30m annually.¹⁰⁷ The relationship took the form of a 50:50 joint venture company which managed all of FC Barcelona's merchandising, in addition to Nike being the kit manufacturer. FC Barcelona also secured commercial sponsorship deals with major international partnerships such as Coca Cola (soft drinks), Estrella Damm (brewing) and La Caixa (banking).¹⁰⁸

However, the strategy was also innovative. After first considering a conventional shirt-sponsorship deal in 2006, the club signed an agreement with UNICEF (the children's charity of the United Nations) from which the club received no payment (a more detailed analysis of this initiative is outlined below). Rather, the club promoted UNICEF on its shirt and supported the organization's projects. Deloitte reported that:¹⁰⁹

UNICEF and Barcelona believe they share a similar social outlook, and the five year partnership sees Barcelona promoting UNICEF on its shirts, while UNICEF receives 0.7% of Barça's operating revenue – €1.5 million per year – in support of a number of projects focusing on helping to protect children in areas of humanitarian crisis.

The marketing strategy at FC Barcelona also concentrated on the development and promotion of the club brand, particularly in countries outside Spain where the club had international recognition and a high level of brand equity in Asia, South and Central America, Europe and Africa.¹¹⁰ With FC Barcelona the most well-supported overseas club in Japan and enjoying strong levels of popularity in China, Asia in particular became a target market for developing the club brand.¹¹¹ The club subsequently made a number of trips to play friendly matches in Asia, while signing deals to set up a dedicated Barcelona magazine and internet sites in Japan and China.¹¹²

Thus, over the 2002/2003 to 2006/2007 period, the financial performance of FC Barcelona was transformed. Through the application of tight cost management systems, combined with the shrewd and rigorous application of modern management techniques, revenues dramatically increased thus allowing greater expenditure on players but not at the expense of profitability. This was a rare achievement in the modern European football environment. Extraordinarily, in October 2008 the club was able to announce that it had completely eliminated the syndicated loan taken out on the election of Joan Laporta and his new board colleagues in 2003, having paid back €92.5m over the five-year period.¹¹³ The fact that the club was member-owned, and that this put a break on potential revenue-generating measures that were the norm in the English Premiership – premium ticket pricing and corporate-branded shirt sponsorship – was not an impediment to achieving these objectives.

Corporate social responsibility

The way that FC Barcelona was now applying financial discipline to all its activities, and the way it was now marketing itself and its related merchandise on a global basis was widely acknowledged to be infinitely more sophisticated than during the Núñez era. It might therefore have appeared ironic that one of the motivations that drove the formation of L'Elefant Blau was the concern that FC Barcelona was becoming too commercialized and thereby losing touch with its social and cultural roots. However, the new board of directors implemented a parallel strategy to develop the club's corporate social responsibility activities in order to ensure that the club retained its traditional social and cultural *raison d'être*.

Critical to this was the expansion of the activities of the FC Barcelona Foundation, which had been founded in 1994. Under the new board, the charitable activities of the Foundation were globalized and developed far beyond what had been a previously narrow local focus. This expansion served to institutionalize community involvement at the club. Certainly, the club's corporate social responsibility programme must be among the most extensive of any sporting organization anywhere in the world with the club's website carrying extensive coverage of its activities in this area. The Foundation is the club's charitable arm, and board members are involved in charity events and fundraising events promoting social projects under the slogan 'Football is not everything'.¹¹⁴ Through the Foundation, the club became the first sports organization to reach a partnership agreement with UNESCO – the United Nations Educational, Scientific and Cultural Organization – signing a five-year deal in 2006 to promote the role that sport can play in supporting the work of the organization in areas including education, social inclusion, literacy and citizenship.

FC Barcelona was quite explicit as to why it wished to globalize its CSR strategy:¹¹⁵

Today, football has become a global phenomenon, and support for Barcelona has spread spectacularly around the world. The number of club members from outside of Catalonia and Spain is increasing daily, and the club wants to respond to that show of passion for Barça. This has developed into a need and an obligation. And the best way for the club to do that has been to take a step further and become 'more than a club around the world' as well. This Barça that is so concerned for its people needs to be globalised. This caring and humanitarian Barça needs to be globalised. It is a strategic decision that is in keeping with the club's history and the way that football is continuing to develop on a worldwide basis. That is why the club has decided to contribute 0.7 per cent of its ordinary income

to the FC Barcelona Foundation in order to set up international cooperation programmes for development, supports the UN Millennium Development Goals and has made a commitment to UNICEF's humanitarian aid programs through the donation of one and a half million euros for the next five years and now wears the UNICEF logo on its shirts. – an agreement that has made Barça unique.

The sponsorship deal between FC Barcelona and UNICEF, the United Nations children's charity, was a landmark development as an example of corporate social responsibility in practice. The FC Barcelona shirt is one of the most recognizable football shirts in the world and the value of the sponsorship rights would be sizeable. However, the club has historically resisted selling the shirt sponsorship rights as a strong sociopolitical statement to reinforce the traditional values of community and solidarity associated with the club. It was felt that to have a commercial sponsor on the shirt would somehow compromise the integrity of the club shirt and the spirit implied in the 'mes que un club/more than a club' slogan. Given that the four-year shirt sponsorship deal that Manchester United signed with American insurance company AIG in 2006 was worth nearly £56m, FC Barcelona's decision not to have a commercial shirt sponsor was not a vain gesture. It was thus a tangible expression that somehow FC Barcelona was different, not just another entertainment brand.¹¹⁶

However, some commentators underlined that being 'more than a club' could also pose dilemmas, as articulated by Chadwick and Arthur:¹¹⁷

Sponsorship is ... a major revenue stream for any club but it would appear that Barcelona is constrained by its past and by its brand image. By not carrying a corporate logo on its shirt, the club is once more making a strong socio-political statement, something that will reinforce the club's image in the minds of many people. This clearly has a value, no matter how intangible, and helps to reinforce the view that Barça is special – the club is about community, solidarity and care. But in an era of big name player signings and generous salaries, it also denies the club a very important source of revenue.

Though they went on to note:¹¹⁸

Nevertheless, the move is clever brand management because it marks out Barça as being different to other clubs in not having a commercial shirt deal; it also reinforces the club's existing brand image as being 'mes que un club'. What the deal has done, therefore, is to help build equity in the Barça brand ... particularly in terms of creating an affiliation between fans, the public and the club.

However, it was the case that not all club *socios* were happy with the UNICEF deal. At the previous year's Annual Assembly, they had been convinced by FC Barcelona Director Ferrán Soriano that the club needed to find a shirt sponsor *if* it was to be able to compete with Europe's biggest clubs. Soriano convinced the delegates that the club was losing out on a huge sum of money and so – reluctantly – the members agreed to allow shirt sponsorship for this reason. Many then felt aggrieved at the UNICEF deal over a year later because the financial reward was less tangible. While many acknowledged that it was positive for the club's image, this was not something that they had voted upon. Subsequently, the fact that Joan Laporta was perceived by some to have ushered in the deal through the back door formed one of the main motivating points in the motion of censure in the summer of 2008 by *socio* Oriol Giralt.¹¹⁹

Perhaps this was why the underlying message in Joan Laporta's address to the Barcelona member's assembly in September 2006, when he received criticism that *socios* had approved a break with the tradition of not carrying a sponsor on the club's

shirt if it would generate revenue for the football club, was to stress that the UNICEF deal would indeed generate revenue through broader brand promotion in the future, and that the motivation was not purely philanthropic. Many members felt that the deal with UNICEF meant that the club was losing money rather than generating it and that, therefore, Laporta had been in contravention of the agreement. Defending the UNICEF deal, Laporta argued that it facilitated:

The projection of FC Barcelona to a world level ... This was the reason behind the deserved agreement with UNICEF; the agreement has increased the respect and prestige of the club enormously.¹²⁰

Critically, the deal was therefore about globalizing the FC Barcelona brand and externally, the reaction to the deal was overwhelmingly positive. In summary, as Chadwick and Arthur noted:¹²¹

As a model of corporate social responsibility it is exemplary, certainly in football, similarly in sport, possibly even in the business world as a whole.

In summary, FC Barcelona's UNICEF association has genuinely involved some sacrifices, notably the decision to forego income from shirt sponsorships. Arguably, the wider benefits that its corporate social responsibility (CSR) policy brought to building the unique FC Barcelona brand, 'more than a club', compensated for these sacrifices through their contribution to driving wider commercial revenues. Moreover, it is difficult to imagine many conventional privately owned football clubs (though interestingly, in the summer of 2008, Aston Villa in the English Premiership signed a small but similar deal with the Acorns Children's Hospice in the English Midlands region¹²²) contemplating such a bold move when hard cash is directly available via a conventional shirt sponsorship deal. This is yet more evidence that FC Barcelona does not behave like a conventional football business.

The dream turns sour?

One of the first innovations introduced by the new board in 2002 was to limit the term of office of the president to two 4-year terms (assuming they were to be re-elected), a reaction to the 22-year reign of Josep Núñez, deemed to be unhealthy and undermining of the democratic structures of the club. However, the length of Joan Laporta's first term was challenged by a *socio* in the courts and as a result, the first eight days of Laporta's tenure in July 2003 were deemed to constitute the first year of his four-year term. Thus, shortly after having led the club to European Champions League glory, Joan Laporta was required to stand for re-election in September 2006, a year earlier than anticipated. However, he was the only club member that received the necessary 1804 signatures to stand for president, ensuring that he was reappointed for a second term. Given that FC Barcelona had just won the European Champions League, his popularity was at a high and the fact that he should be allowed to stand unchallenged was hardly a surprise. However, the episode clearly demonstrated the real power of the democratic principles enshrined in FC Barcelona's statutes.¹²³

However, as in all football clubs, political tensions were never far from the surface. These first surfaced in 2005 when prominent board member Sandro Rosell (a successful former Nike executive) resigned along with four other directors¹²⁴ in

protest at what they say was the allegedly domineering style of Joan Laporta. The remaining nine directors supported Laporta.

The wider political sensitivities involved in being president of FC Barcelona are perhaps best illustrated in an incident which occurred during a regional election campaign in Catalonia in 2005. The *Daily Telegraph*¹²⁵ reported that:

The President of Barcelona Football Club has found himself at the centre of a bitter election campaign after seeming to align himself with one political party. Support for the Barça team is the one thing that unites Catalonia, a region torn between political allegiances that almost inevitably mean that no single party will gain an overall majority in the election on Wednesday. But the conservative Republican Party, CiU, delivered a last-minute coup on Saturday by apparently garnering support from the club's President when he was photographed having breakfast with the party's leader. Artur Mas, the CiU party's Presidential candidate, invited the press to witness his casual conversation with Joan Laporta, Barça's President, over croissants and orange juice in a street cafe in las Ramblas, in Barcelona. Images of the meeting were described as 'the campaign equivalent of a goal in the final minute of a match' in an editorial in yesterday's *La Vanguardia*, and caused immediate protests from other political parties. Josep Piqué, the Presidential candidate of the Right-wing nationalist Partido Popular, accused Mr Laporta of 'doing damage to Catalonia' by linking 'an entity that belonged to everyone with a political option'. Amid growing criticism, Mr Laporta organized a last-minute meeting yesterday with the leader of the current ruling party, the socialist PSC, in an attempt to avert accusations of favouritism. Recent opinion polls give the CiU party the lead with 35.5 per cent of the vote.

More pointedly, in October 2005, Laporta was forced to accept the resignation of his brother-in-law, Alejandro Echevarría, from the board of FC Barcelona when it was revealed Echevarría had once been a member of a foundation honouring former Spanish dictator Franco.¹²⁶

Ultimately, FC Barcelona appears to illustrate that even at a club with such a substantial cultural, social and even political 'hinterland', the ultimate and critical arbiter of member opinion is the extent to which the team is enjoying success on the field of play. When FC Barcelona failed to emulate the successes of 2005/2006 in the following two seasons, the crowd at the Nou Camp began to turn against the board and Joan Laporta became the focus for their disenchantment. This culminated in a vote of no confidence in the board by members of the club in July 2008 in which nearly 40,000 members voted (approximately 33.2% of those eligible to vote) with 60.6% voting against the board.¹²⁷ (The Barça website actively encouraged members to vote,¹²⁸ and reported the comments of ex-presidents, including Josep Núñez, after they had cast their vote – not surprisingly, Núñez was unhappy with the Laporta regime).¹²⁹ As this fell short of the two thirds majority necessary to force a resignation of the board, Joan Laporta decided to remain on as president and complete the remaining two years of his term. However, four days later, eight members of the board, including prominent figures such Ferrán Soriano, Albert Vicens and Marc Ingla, resigned as they felt they no longer had a mandate to continue as directors.¹³⁰ At a general meeting of the members on 24 August, a majority of the nearly 1000 members present voted in support of Laporta continuing as president, which he interpreted as a mandate. Critically, he cited the need for 'stable governability' in his decision to see out the remaining two years of his presidency.¹³¹ Joan Laporta was successfully able to complete his term of office which ended in June 2010.

Regardless of how one views Laporta's decision to remain in the presidency, what is clear is that the democratic structures of FC Barcelona allow the members (or

supporters) a very real mechanism to influence, and indeed to force, the removal or resignation of Board members to an extent which simply would not be possible in a privately owned model of ownership.

FC Barcelona – ‘more than a football club’?

In 2006/2007, FC Barcelona was the third largest football club in Europe, and still among the most successful in sporting terms. Its member-owned structure did not appear to have hampered its development on either account, despite all the political turbulence at the level of the Board and dissatisfaction among the *socios* culminating in the vote of no confidence. This defies the argument that to be truly competitive at the highest level in modern football, a club must be constituted as a limited company by shares capable of attracting major private investment from wealthy individuals.

FC Barcelona is a truly different club. It is a member-owned organization controlled by its members (supporters) and not a private company. These members elect the club president every four years. The club’s members, or *socios*, enjoy the right to vote for the club president and board; the right to vote at the delegates assembly (the club members’ parliament which has the power to censure the president and the board in the event they do not comply with the club’s statutes); and the right to vote for charitable works proposed by the FC Barcelona Foundation, the club’s charitable arm (FC Barcelona is committed to devoting 0.7% of its ordinary income to charitable and social projects). While this represents a far from utopian democracy, it is only when one tries to imagine the implications of the application of such a system at a club in Britain that its extraordinary radicalism becomes apparent.

The other notable aspect of the FC Barcelona member-owned model is that it actually works in practice, both as a form of participative democracy and effective corporate and business governance of the club, and also in terms of delivering the core objective of a successful football team on the field. In 2003, Joan Laporta defeated the previous club president incumbent, Josep Núñez, on a platform in which he explicitly set himself against Núñez’s plan to float FC Barcelona on the Spanish Stock Exchange as a means for raising capital to strengthen the team. As he had previously argued while campaigning for L’Elefant Blau in 2000 (and was quoted earlier on page 481).¹³²

...this [the need to increase revenue] should not and cannot be used as an argument for cutting down the members’ social and democratic rights. The club’s main assets are its 100,000 members and its millions of fans. Similarly, the members are the club’s only proprietors. No matter how much the club earns, the income of the whole club depends on its members, not on the television networks or on the sports equipment multinationals. That, at least, is our point of view...

After winning the presidential election in 2003, Joan Laporta and his board successfully set about implementing a commercially successful alternative model to the private corporation model which had allowed the Glazer family to take control of Manchester United. This began with the appointment of successful professionals, who were also FC Barcelona fans, to key executive positions within the club – the fact that Barcelona is a members’ club did not seem to deter serious applicants. The way that FC Barcelona sought to apply financial discipline to all its activities, and the way it sought to market itself and its related merchandise is now widely acknowledged to be infinitely more sophisticated than during the Núñez era. And, unlike under Núñez, the

Laporta regime has managed to market the club on a truly global scale while remaining faithful to the club's sociopolitical heritage, proving that the two are not mutually exclusive. As Ferrán Soriano explained, the economic benefits and the cultural benefits of the above are wholly compatible:

Barça is relatively simple to explain to people from abroad: Catalunya is a country that, because of political circumstances, has been lacking, historically, in all of the most important symbols and institutions. Barça has become a very simple way for us to tell the outside world who we are. It would be much better if it was not like that, that Barça could just operate as any other football club and that Catalunya had always had a state and administrative structure that its culture and desire for self governance deserves – but that is not how things are. Consequently, FC Barcelona is one of the ways in which we, as Catalans, can project ourselves to the rest of the world, telling them that we are here and that we exist as a nation.¹³³

Central to this strategy was the campaign to successfully increase the number of members in the club as a focus for driving revenue.¹³⁴ FC Barcelona demonstrated that supporters would buy increasing volumes of merchandise from their club, provided it was sold to them in an appropriate manner. Of course it helped that all the money raised went back into the club to support the team, as there were no dividends to be paid to investors.

Clearly the success of Laporta and his board's business model has been facilitated by the tremendous success that the football team currently enjoyed on the field. It is perhaps not unreasonable then to suggest that the two spheres of activity must feed off each other. The image of a well-run football club aggressively marketing itself around the world as the very embodiment of sporting excellence and cultural sophistication with all the associated romance of an institution that is truly owned by its members and that stands for something more than a commercial entertainment franchise must be an attractive package for any ambitious player. It certainly seemed to work for Ronaldinho and Henrik Larrson.

At the heart of what makes FC Barcelona work as a great sporting institution is the fact that, in the words of the club motto, it is 'More than a Club' – it is an expression of Catalan cultural identity and pride.¹³⁵ In 2000, Joan Laporta, then the leader of the fringe campaigning group of Barcelona members called the L'Elefant Blau¹³⁶ had this to say:

Football and FC Barcelona are a way of life for many Catalans. It is that tribal spirit that is so important to football. Without it football means nothing.

It was feared that under Josep Núñez, the identity and purpose of FC Barcelona was moving toward an American-style entertainment model, as exemplified by the Glazer-owned Tampa Bay Buccaneers, which drove Laporta and his colleagues to form the L'Elefant Blau to reassert FC Barcelona's identity as primarily a sporting and cultural institution. Fortunately for them, the member-owned structure of FC Barcelona allowed this determined group to win the argument with the club's supporters in the democratic forum of an election. This option is not open to supporters of Premier League clubs in England, all of which are privately owned, unless they themselves can buy control of their club. During the progress of elections at FC Barcelona, and during Joan Laporta's subsequent stewardship of the club, there has been a certain amount of political name-calling by opponents, emotional resignations from the board, and agitation that one might more commonly associate with party political campaigning, but as

Sir Alex Ferguson might observe, ‘that’s football’. It is also the case that sometimes the much vaunted corporate social responsibility programme of the club does not operate as planned as some of the players sometimes find these obligations irksome. The UK newspaper *The Times* reported in June 2007, under the headline ‘Mandela Snubbed’, that several players, including Ronaldinho, opted to skip a reception with Nelson Mandela on the club’s tour of South Africa; in fact, only five actually attended the reception.¹³⁷ However, these problems ultimately do not seem to have affected the overall quality of management of the club. Critically, the example of FC Barcelona demonstrates that a mutually owned model can work successfully in the modern globalised football industry.

Conclusion – could the FC Barcelona model be replicated at an English Premiership Club?

Since the election of Joan Laporta in 2003 as president of FC Barcelona, the board of Directors and management at the football club have embraced a new era of commercialism, accepted the need to operate in the global market, and expanded commercial activities by appealing to new markets such as Asia in order to achieve success on the field and commercial success off it. This may seem ironic, given that one of the reasons Joan Laporta and L’Elefant Blau campaigned against former President Josep Núñez was because it was felt that the club was becoming too commercially oriented and they were worried about the club becoming a privately owned company rather than a members’ club. However, where the business model at FC Barcelona differed from that during the Núñez era is that the commercially driven model was based on strong cultural and social principles. The commercial strategy was finely balanced with maintaining the traditions of the FC Barcelona, such as member democracy and corporate social responsibility, while at the same time achieving sporting success.

The model of governance at FC Barcelona appears to indicate that the relationship between member democracy, commercial strategy, corporate social responsibility and sporting success is symbiotic; the success of each strategic aspect is in part dependent on the success of the other strategic aspects and therefore, it is not unreasonable to suggest that the spheres of strategic activity feed off each other and work together to help propel the football club forward. For example, the success of the commercial strategy has been facilitated by the tremendous success that the team is currently enjoying on the field, while the importance of maintaining the democratic structures of governance and protecting the status of the club as a not-for-profit sports organization also helps to drive commercial revenue. FC Barcelona therefore epitomizes a well-run football club aggressively marketing itself around the world as the very embodiment of sporting excellence and cultural sophistication with all the associated romance of an institution that is truly owned by its members and that stands for something more than a commercial entertainment franchise.

A telling element in the FC Barcelona rules is that you do not have to be Catalan, or even Spanish, to stand for election as club president; at Real Madrid, for example, you must be Spanish. As one of many biographers of the club, Phil Ball, remarked:¹³⁸

...the Catalans pride themselves on their lack of parochialism, on their cosmopolitan air, on their time-honoured practice of looking outward, of absorbing influences and of transforming them into their own eclectic dynamic. The motto for the club’s centenary

was *El centenari de tots* (everybody's centenary) ... it [the motto] embodied a subtle message of inclusiveness while simultaneously managing to invite outsiders to take an admiring look. Time and time again footballers have arrived from foreign shores and rapidly become 'Catalanised' – which it not to say that they have learned the language, but rather they that they have absorbed the peculiar *taranna* (way of being) of the region which they have almost invariably found attractive. Even the notoriously ill-adapting British have not been immune ... Gary Lineker, Steve Archibald, and Terry Venables, who got off on the right foot at the Camp Nou by addressing the crowd in halting Catalan at his first training session.

The Dutchman Johann Cruyff is perhaps the most influential of all the 'Catalanized'.

This raises the question posed at the beginning of this article; if the very, very, Catalan FC Barcelona is so open to absorbing outside influences, could its mutually owned model equally be absorbed into a major English Premiership club? Or is its success specific to the Catalan situation?

Burns again, when assessing the reason for Josep Núñez's ultimate failure to remodel the club as a modern corporation, hits on why few, if any, private owners are likely to transform the clubs they own toward the FC Barcelona model:

Núñez was in many ways typical of the new breed of businessman taking charge of football in the 1990s. In style and management he echoed the political ambition of AC Milan's Silvio Berlusconi, the abrasiveness of Tottenham Hotspur's Alan Sugar, and the pragmatism of Fergus McCann ... [controlling shareholder at] Celtic Football Club.... And yet in one key respect Núñez was handicapped: he did not have, nor was he allowed to have, the power that came with being a majority of shareholder in a club. Much as he tried to control Barça as his own fiefdom, he continued to be faced with a widely felt and deeply entrenched tradition of nationalism and fan power.¹³⁹

FC Barcelona may be a highly dynamic business organization applying all the modern business management techniques, but it is still a mutually owned organization where senior management truly are accountable to the club's members, as Joan Laporta was discovering through the various votes by members in the summer of 2008. The answer to this question may be that while no large Premiership club may voluntarily convert to such a mutual model, a bankruptcy at a major club as the world entered an era of global economic recession in the summer of 2008 may well create an opportunity for a well-organized group of supporters at clubs like Liverpool and Manchester United, where there is a strong fan culture and sense of tradition and moral ownership. What the FC Barcelona example demonstrates is that there is nothing inherent in the mutually owned model that disallows the development of teams capable of winning the UEFA Champions League (as both FC Barcelona and Real Madrid have demonstrated in recent years) or of building a sustainable financial strategy independent of the need for equity/shareholder investment. At the end of 2007/2008, FC Barcelona reported its sixth straight year of revenue growth and pre-tax profits^{140,141} and announced in October 2008 that the club had paid back all of the syndicated loan taken out in 2003.¹⁴² What is required is the ability of English football supporters to organize themselves into a democratically accountable and disciplined body capable of taking over a large club, and the opportunity to engage in such a take-over. Only time will tell whether the current economic downturn will create the conditions where this might take place. In the meantime, the example of FC Barcelona continues as a working model of a functioning mutual football 'club' alternative to the privately owned football 'corporation'.

Notes

1. Deloitte. *Football Money League*, 2, 2008.
2. FCBarcelona.cat. 'Barça Reaches 163,000 Members'.
3. FCBarcelona.cat. 'FCB Other Sports'.
4. For a useful summary of the social, cultural and sporting history of FC Barcelona see: Ball, 'Sunshine & Shadow'.
5. Brown, and Walsh. 'Football Supporters' Relations with Their Clubs', 94.
6. Deloitte. *Football Money League*, 29, 2007.
7. FC Barcelona. *Annual Report & Accounts 2007/2008 Season*, 149.
8. Burns. *Barça*, 76.
9. Many contemporary club histories gloss over this fact and either ignore it altogether, as is the case with Sobreques (1998), and Barnils (1999), who offer no explanation as to why this happened, merely stating that he left the club.
10. See earlier work by author; Watson 'FC Barcelona: Identity and Nationalism' – Gamper's marriage to Emma Pilourd, a Catholic Swiss woman, enabled his acceptance by the Catholic population in the city, a fact to which the newspaper *Las Deportes* attested to at that time.
11. Caraben, Godall, Laporta, and Moix. 'The Struggle for Democracy at Barcelona FC', 203.
12. Burns. *Barça*, 97.
13. Bahamonde. *El Real Madrid en la historia de España*, 187.
14. Burns. *Barça*, 128.
15. Caraben, Godall, Laporta, and Moix. 'The Struggle for Democracy at Barcelona FC', 203.
16. Brown, and Walsh. 'Football Supporters' Relations with Their Clubs', 94.
17. Caraben, Godall, Laporta, and Moix. 'The Struggle for Democracy at Barcelona FC', 203.
18. Ball. 'Sunshine & Shadow', 82.
19. Brown, and Walsh. 'Football Supporters' Relations with Their Clubs', 94.
20. For a more detailed review of the Núñez era see: Burns. *Barça*, 346–57.
21. Burns. *Barça*, 347.
22. Brown, and Walsh. 'Football Supporters' Relations with Their Clubs', 93–5.
23. Caraben, Godall, Laporta, and Moix. 'The Struggle for Democracy at Barcelona FC', 204–6.
24. Ascari, and Gagnepain. 'Spanish Football', 76–89.
25. *Ibid.*
26. *Ibid.*, 77–9.
27. Castillo. 'The Concept of Loyalty and the Challenge of Internationalisation in Post-modern Spanish Football', 24–5.
28. Ascari, and Gagnepain. 'Spanish Football', 86.
29. *Ibid.*, 76–89.
30. Caraben, Godall, Laporta, and Moix. 'The Struggle for Democracy at Barcelona FC', 206.
31. Brown, and Walsh. 'Football Supporters' Relations with Their Clubs', 94–5.
32. Burns. *Barça*, 353.
33. *Ibid.*, 355.
34. *Ibid.*, 355.
35. Caraben, Godall, Laporta, and Moix. 'The Struggle for Democracy at Barcelona FC', 206.
36. *Ibid.*, 202–8.
37. Burns. *Barça*, 356.
38. Caraben, Godall, Laporta, and Moix. 'The Struggle for Democracy at Barcelona FC', 207.
39. Ball. 'Sunshine & Shadow', 105.
40. Burns. *Barça*, 356.
41. L'Elefant Blau. 'The Struggle for Democracy at FC Barcelona and the Case for a European Independent Regulator of Professional Football', 137.
42. Caraben, Godall, Laporta, and Moix. 'The Struggle for Democracy at Barcelona FC', 206.
43. Burns. *Barça*, 354.
44. Badia. *Cronica de Núñisme*, 93
45. Brown, and Walsh. 'Football Supporters' Relations with Their Clubs', 95.
46. *Ibid.*
47. Ball. 'Sunshine & Shadow', 109.
48. Deloitte. *Football Money League*, 29, 2007.
49. Kase, Gomez, Urrutia, Opazo and Marti. *Real Madrid – Barcelona*, 4.
50. *Ibid.*, 9.
51. FC Barcelona.cat. 'FC Barcelona History: Presidents – Enric Reyna i Martinez (2003)'.

52. FCBarcelona.cat. 'FC Barcelona History: Presidents – Interim Administrative Committee'.
53. Allen, and Recuero. *FC Barcelona*, 6.
54. FC Barcelona.cat. 'FC Barcelona History: Presidents – Joan Laporta Estruch (2003)'.
55. An interesting account of Laporta's first 18 months as president is provided by Webster, 'Viva Barça!'.
56. Allen, and Recuero. *FC Barcelona*, 10.
57. Deloitte. *Football Money League*, 29, 2007.
58. Allen, and Recuero. *FC Barcelona*, 7.
59. Webster. 'Viva Barça!'.
60. Allen, and Recuero. *FC Barcelona*, 11.
61. Davilla, Foster, and Llopis. *Futbol Club Barcelona*, 3.
62. Allen, and Recuero. *FC Barcelona*, 11.
63. Ibid., FC Barcelona, 7.
64. For an overview of FC Barcelona's business strategy in Ferrán Soriano's own words see: Soriano, 'Governance in a Big Soccer Club'.
65. Ball. 'Sunshine & Shadow', 109–10.
66. For an account of how Manchester United implemented a similar strategy over the 1992–2007 period see Hamil. 'Manchester United', 114–34.
67. Deloitte. *Football Money League*, 30, 2007.
68. Richelieu, and Pons. 'Toronto Maple Leafs vs Football Club Barcelona', 241.
69. Kase, Gomez, Urrutia, Opazo, and Marti. *Real Madrid – Barcelona*, 9–10.
70. Davilla, Foster, and Llopis. *Futbol Club Barcelona*, 5–6.
71. Chadwick, and Arthur. 'Més que un club (More Than a Club)', 4.
72. Martin, 'La Gira Asiatica', 34.
73. FCBarcelona.cat. 'Barça Reaches 163,000 Members'.
74. FC Barcelona.cat. 'FCB Members: Adult Member'.
75. Richelieu, and Pons. 'Toronto Maple Leafs vs Football Club Barcelona', 249.
76. See the FC Barcelona website: <http://www.fcbarcelona.com/web/english/noticies/club/temporada08-09/11/n081113106033.html>
77. Allen, and Recuero. 'FC Barcelona', 18.
78. Ibid., 19.
79. FCBarcelona.cat. 'Barça Reaches 163,000 Members'.
80. Allen, and Recuero. 'FC Barcelona', 34.
81. Conn. 'Barcelona's Model of Integrity Shows Right is Might'.
82. FCBarcelona.cat. 'FC Barcelona – Penyes: the Social Commission'.
83. Deloitte. *Football Money League*, 8, 2008; Deloitte. *Football Money League*, 5, 29–71, 2007; FC Barcelona. *Annual Report & Accounts 2007/2008 Season*, 149.
84. Deloitte. *Football Money League*, 8, 2008; Deloitte. *Football Money League*, 5, 29–71, 2007.
85. Davilla, Foster, and Llopis. *Futbol Club Barcelona*, 3–4.
86. Allen, and Recuero. *FC Barcelona*, 13.
87. Ibid., 14–15.
88. Kase, Gomez, Urrutia, Opazo, and Marti. *Real Madrid – Barcelona*, 7.
89. Deloitte. *Football Money League*, 30, 2007.
90. Davilla, Foster, and Llopis. *Futbol Club Barcelona*, 5.
91. Deloitte. *Football Money League*, 30, 2007.
92. Allen, and Recuero. *FC Barcelona*, 14.
93. Ibid., 20.
94. Webster. 'Viva Barça!'.
95. Davilla, Foster, and Llopis. *Futbol Club Barcelona*, 6.
96. Deloitte. *Football Money League*, 31, 2007.
97. Deloitte. *Football Money League*, 8, 2008.
98. Deloitte. *Football Money League*, 8, 2008; Deloitte. *Football Money League*, 30, 2007.
99. Ibid.
100. Deloitte. *Football Money League*, 30, 2007.
101. Gil-Lafuente. 'Marketing Management in a Socially Complex Club', 186–208.
102. Deloitte. *Football Money League*, 8, 2008.
103. FCBarcelona.cat. 'Norman Foster Admired by Peers.'
104. Allen, and Recuero. *FC Barcelona*, 16.
105. Conn. 'Barcelona's Model of Integrity Shows Right is Might'.

106. Deloitte. *Football Money League*, 8, 2008; Deloitte. *Football Money League*, 30, 2007.
107. Deloitte. *Football Money League*, 8, 2008.
108. Deloitte. *Football Money League*, 8, 2008; Deloitte. *Football Money League*, 31, 2007.
109. Ibid.
110. Richelieu, and Pons. 'Toronto Maple Leafs vs Football Club Barcelona', 242.
111. Chadwick, and Arthur. 'Més que un club (More Than a Club)', 5.
112. For a more detailed summary of FC Barcelona's international marketing strategy over the 2003–2006 period see Davilla, Foster, and Llopis. *Futbol Club Barcelona*, 10–14.
113. FCBarcelona.cat. 'Boix'.
114. FCBarcelona.cat. 'FC Barcelona – The Foundation'.
115. FCBarcelona.cat. 'More Than a Club'.
116. Chadwick, and Arthur. 'Més que un club (More Than a Club)', 5–6.
117. Ibid.
118. Ibid., 6.
119. *La Vanguardia*. 'La moción de censura contra Laporta ya está en marcha'.
120. FCBarcelona.cat. 'UNICEF shows a solid commitment from Barça'.
121. Chadwick, and Arthur. 'Més que un club (More Than a Club)', FC Barcelona 9.
122. *The TimesOnline*. 'Aston Villa Forgoes £2 Million Sponsorship to Support Charity'.
123. Hawkey. 'Heart of Barça'.
124. Davilla, Foster, and Llopis. *Futbol Club Barcelona*, 4.
125. Govan. 'Barcelona Boss Scores Own Goal'.
126. CNN.com. 'Laporta to Resign for New Election'.
127. FCBarcelona.cat. 'The Vote of Censure is Unsuccessful'.
128. FCBarcelona.cat. 'The Importance of Participation'.
129. FCBarcelona.cat. 'The Ex-Presidents Also Take Part'.
130. FCBarcelona.cat. 'Eight Directors Resign'.
131. FCBarcelona.cat. 'Laporta to Continue as President.'
132. L'Elefant Blau. 'The Struggle for Democracy at FC Barcelona and the Case for a European Independent Regulator of Professional Football', 137.
133. Murillo, and Murillo. *El Nou Barça*, 199–200.
134. Presentation by FC Barcelona Finance Director Ferrán Soriano at Birkbeck College, University of London, on 22nd February 2006.
135. Caraben, Godall, Laporta, and Moix. 'The Struggle for Democracy at Barcelona FC', 209.
136. L'Elefant Blau. 'The Struggle for Democracy at FC Barcelona and the Case for a European Independent Regulator of Professional Football', 138.
137. The Times. 'Mandela Snubbed'.
138. Ball. 'Sunshine & Shadow', 84.
139. Burns. *Barça*, 355–6.
140. FCBarcelona.cat. 'FC Barcelona Financial Balance'.
141. FCBarcelona.cat. 'Historic Budget Approved.'
142. FCBarcelona.cat. 'Boix'.

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