



BUSINESS MODEL

WORLD ACTION SPORTS FESTIVAL

Louis Leclerc - Benjamin Harant (2017)



THE ORGANIZATION

03-06

GOALS

07

INTERNAL ANALYSIS

08-16

ENVIRONMENT ANALYSIS

17-19

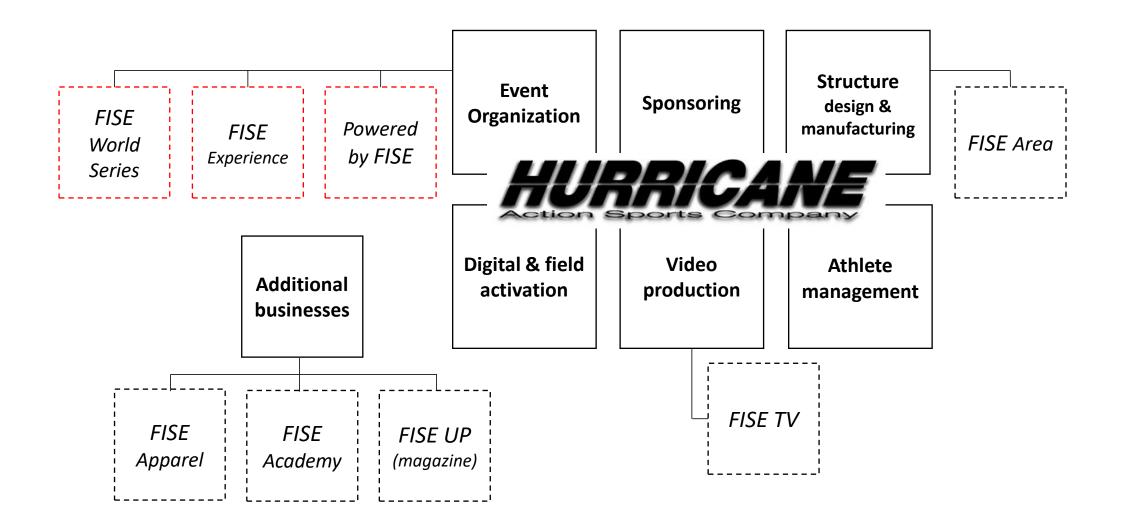
CURRENT BUSINESS MODEL

20-22

NEW BUSINESS MODEL

23-30

THE ORGANIZATION



CORE BUSINESS: FISE EVENTS



Created in 1997 by Hervé André-Benoit in Montpellier, FISE is a world action sport festival (Festival International des Sports Extremes). Gathering different sports such as BMX, Mountain Bike (MTB), Roller, Skateboarding or Wakeboarding, the main goal is to initiate the public to extreme sports. FISE is composed with 3 different kind of events.

FISE World Series: international tour with 4 stops in 2017 (Montpellier, Budapest, Edmonton, Chengdu), rankings and points earned are used by UCI and FIRS federations for pro athletes. 500,000 spectators during Montpellier event.

FISE Experience: French tour (5 events in 2017). Competitions have an European scale for the participants. Hosted by French cities **Powered by FISE**: mainly the FISE's white marking events, freestyle shows without national or international competition.







BUSINESS EXTENSION



FISE Area: Structure design and manufacturing of skate parks and other sliding sports equipment (pump tracks, ...). Also able to rent and sell those structures.

FISE TV: Hurricane is able to produce video content and to broadcast their events online.

FISE Apparel: Design creation and selling branded fashion apparel and accessories.

FISE UP: 100% digital extreme sport magazine created by FISE team about sport events, athletes and news.

FISE Academy: partnership with French schools to teach and introduce public to wakeboard, BMX, Surf, Kitesurf, Scooter and Skateboard throughout the year and during FISE events



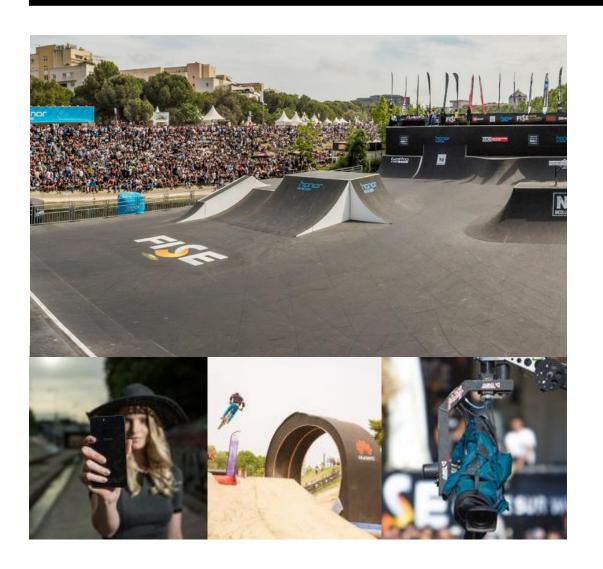








HURRICANE ACTION SPORTS COMPANY



With over 350 events organized as of today, the agency masters all the aspects of organization, mediatisation and world-class infrastructure conception and production. Mainly using FISE events, the multinational (France, Canada and China) is able to provide turnkey solution for brand activations.

Event Organization: FISE events (World Series, Experience, powered by FISE).

Sponsoring: use sport as a platform for brands to sponsor events.

Structure Design & Manufacturing: FISE Area division.

Digital Activations for events: support and guide to action sport strategies and helps brands to build a strong offer around promotional activation

Field activation & branding: sampling, product demo, stands... during events.

Video Production: filming, editing and broadcasting knowledge

Athletes management: large and international network of athletes used from big events to communication campaigns

GOALS

DEMOCRATIZE EXTREME SPORTS

DEVELOP FISE AS A SUSTAINABLE AND MAJOR WORLDWIDE EVENT ORGANIZER

MONETIZE EVENT DAYS THROUGH COMMERCIAL ACTIVITIES

INTERNAL ANALYSIS

STAKEHOLDERS

INTERNAL ANALYSIS



RGANIZER

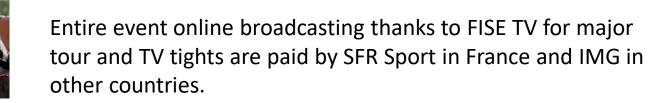
Hurricane Agency is the owner of all FISE events. They supply all the assets needed for the event and use all the expertise from their 50 employees.



SPONSORS

Every event is sponsored by big name brands and local companies. Sponsors use it as a visibility platform and sometimes a way to showcase their products. (eg: Honor, SFR, GoPro, Rogers, ...)





STAKEHOLDERS

INTERNAL ANALYSIS

PUBLIC ORGANIZATIONS



Partnership with international federations (UCI for freestyle BMX and MTB and FIRS for roller competition). Ranking after the event counts for international championship. Event are also hosted by cities and region which allocate the area.

ATHLETES



Some are professional athletes and some are amateurs, depending on the event.

SPECTATORS, CUSTOMERS



Crowd and customers during events are composed with core spectators but not only, the goal is to touch everyone, expert and non-expert public. 100 millions fans on social media and 1 million cumulated spectators each year.

PROFIT CENTERS

INTERNAL ANALYSIS

2016 turnover: 10 millions euros

01

MAJOR PROFIT CENTERS

Host cities – cities pay to host one of the FISE events

Sponsoring – brands pay for visibility, space rental for field

activation, stands, sampling product demo...

02

MEDIUM PROFIT CENTERS

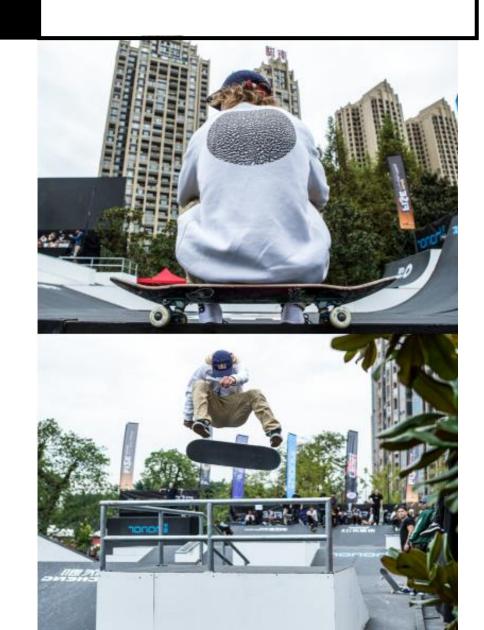
TV rights – the organization sell rights to SFR Sports in France and to IMG to use it globally

03

MINOR PROFIT CENTERS

Athletes participation fees
Renting and manufacturing action sports equipment
Merchandising

Ticketing – free access for events owned by FISE, Gold Podium paid option available but low incomes



RESOURCES

INTERNAL ANALYSIS

1. ORGANISATIONAL

André-Benoit, turnkey event solution, experienced event organizer, all the resources needed to organize an action sport event

3. PARTNERSHIPS

Strong sponsors (field activation, visibility, media relay),
TV rights

4. SOCIAL CAPITAL

Network, André-Benoit, Hurricane's division network, volunteering, strong exposition in France and Europe, starting global exposition since World Series



2. REPUTATIONAL

History (since 1997 - especially in Montpellier), brand, qualitative (sport performance and module) and free events, organizer trusted by big brands, popular & appreciated event (expert and non-expert and 3rd French sport event), European major player

5. PUBLIC ORGANIZATIONS

(physical resources and sport federations)

Major events hosted by cities and major profit center, short term contracts, short term physical resources, federation notoriety, expertise and legitimacy

FOCUS ON REPUTATION

INTERNAL ANALYSIS

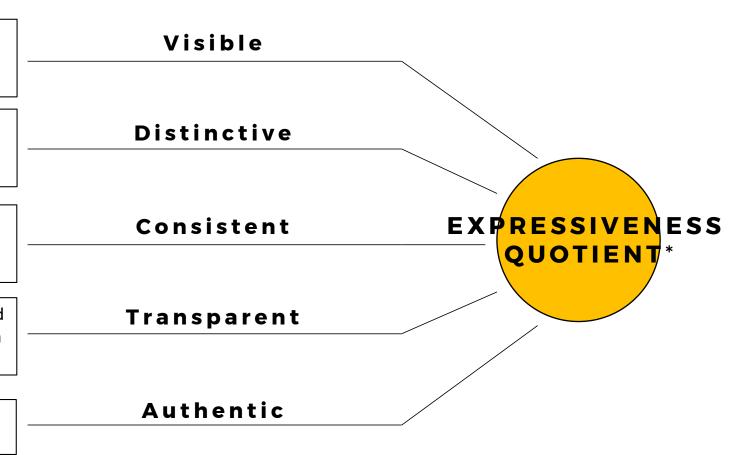
Open events, for pros and amateurs, it brings crowds and good athletes, partnerships with major brands, TV relay (especially in France)

Goal to democratize extreme sports, unique structures, for expert and non – experts spectators, distinctive offer mainly in Europe

Free extreme sports event, same attraction every event, locations are maybe changing too often

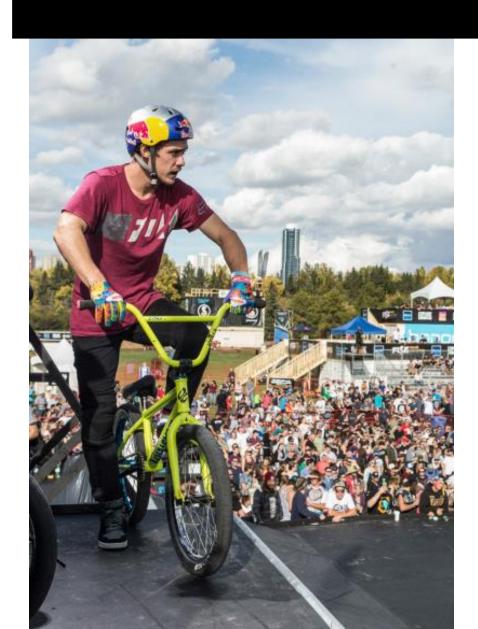
Responsiveness given to stakeholders, field and digital activation, lack of customers implication (feedback, cities..)

Core values, sport and show first, athlete knowledge, adequate merchandising



COMPETENCES

INTERNAL ANALYSIS



EVENT ORGANIZATION

Turnkey solutions and unique sport structures

B2B & BRAND ACTIVATION

Field, digital activation and communication campaigns

ENTERTAINING

Show off sports, unique and big sport structures, famous athletes, strong BMX competition

ATHLETES MANAGEMENT

Famous athletes, network, sponsors activation using athletes

NEGOCIATION

ASSETS IDENTIFICATION

INTERNAL ANALYSIS

Reputation + Organizational = CORE ASSET
Competences

Partnerships + Brand & Activation = CORE ASSET management

ASSETS VRIO

INTERNAL ANALYSIS

U	3
Ī	5
٥	
Ξ	
)
U	ח
٥	2

	Valuable	Rare	Difficult to imitate	Difficult to substitute	Organizational	Results
Organization	++	++	+	+	++	Sustainable advantage
Reputation	++	+	++	+	++	Sustainable advantage
Public organizations	+	-		-	++	Poor advantage
Athletes	+	-	-	+	++	Relative advantage
Network	++	-	+	-	++	Relative advantage
Sponsors & partnerships	++	++	+	+	++	Sustainable advantage

ENVIRONMENT ANALYSIS

MACRO-ENVIRONMENT

ENVIRONMENT ANALYSIS

POLITICAL

Youth programs developed in France by Sports Ministry. Weak international federations (weak international skate federation for instance) and very few action sports club: solo learning process. IOC wants to develop sliding sports.

SOCIAL

Extreme sports popularity is increasing. High visibilty during worldwide events. Freestyle shows are attractive but the conversion into practice is still low. Democratization is currently taking place.

ECONOMICAL

In 2017, France and Canada's GDP are ok but China's is good. Positive economic environement for sponsors but still weak compared to other major sports (soccer, baseball...). New opportunities with Olympics games in Asia, France and then US and action sports entries (BMX, skate, surf...). RedBull is a major actor in economic transition and action sports attractivity.

TECHNOLOGICAL

Sports are in developement and brands are constantly innovating. Strong link between videos and sport evolution.

MICRO-ENVIRONMENT

ENVIRONMENT ANALYSIS

BARGAINING POWER OF SUPPLIERS

The agency masters all the aspects of organization so there are very few suppliers. Hurricane has a good bargaining power. Prize money, FISE ranking and module quality create a strong engagement for athletes but still a lot of work to do for some sports (Skateboarding, scooter....).

BARRIERS TO ENTRY

All the costs needed to cover mediatisation, build structures..... Difficulty to imitate event in FISE host cities. Restrictive practice: only few events count for international ranking with federations.

COMPETITORS

FISE has a unique mix positioning : core positioning for action sports but mix between experts and non-experts spectators.

<u>Direct competitors</u> (action sports experts): World competitions from federations (BMX, Roller) + specialized events in 1 action sport (Skate Street League)

<u>Indirect competitors</u> (expert and non-experts): show off action sports events like Nitro circus, X-games and local smaller events

SUBSTITUTES

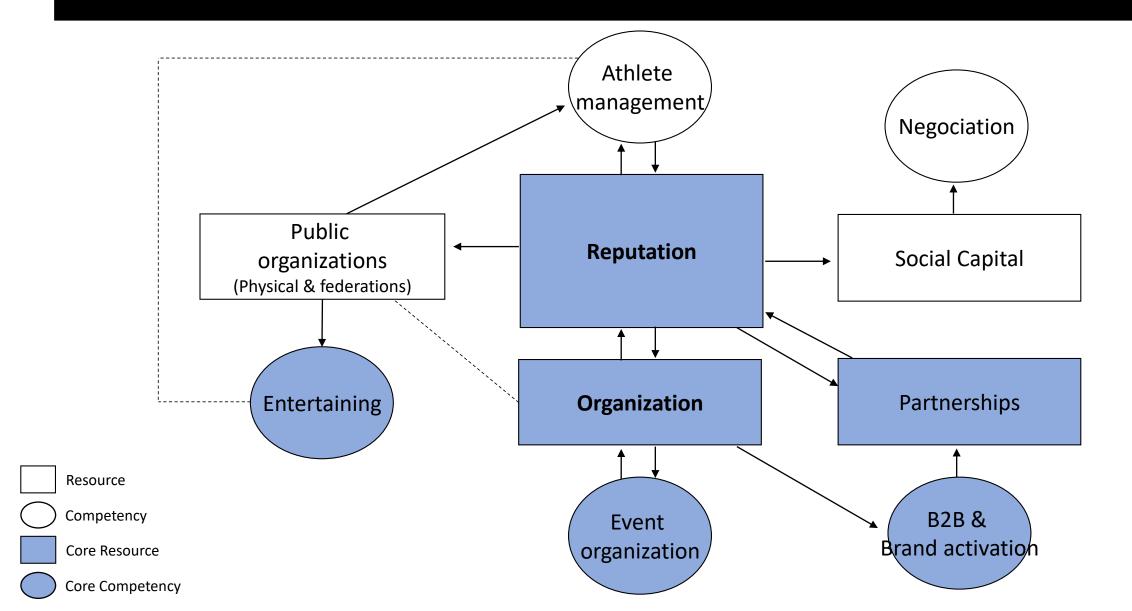
Music festival and public shows in same region, city. Local famous sport events and club (Soccer, Rugby...) in France, winter sports in Canada for example.

BARGAINING POWER OF CUSTOMERS

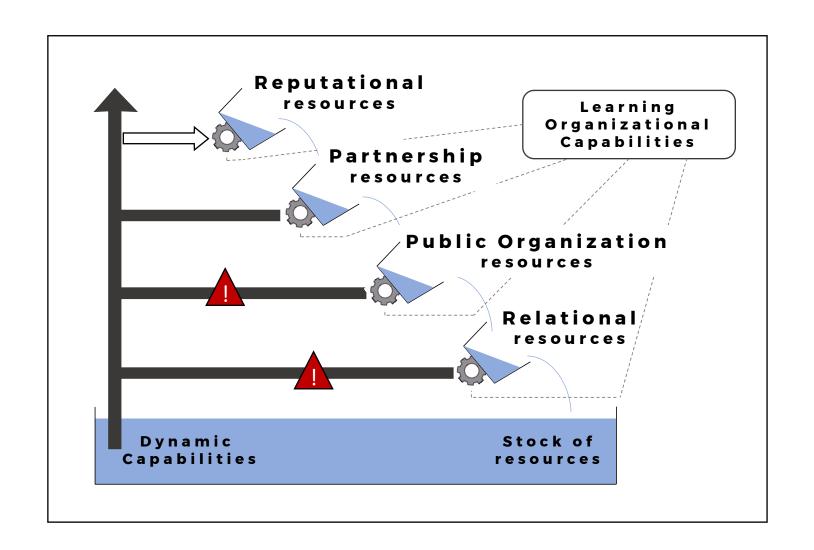
Dependency from host cities and difficult to sustain event due to negotiation with cities and region, budget allocations. Turnkey business solution really comprehensive and unique that makes them a must call actor in action sports events especially in Europe.

CURRENT BUSINESS MODEL

REPUTATIONAL BUSINESS MODEL



CASCADE OF ASSETS





<u>Public Organization resources</u>:

Mainly short term contracts and conjunctural dependency from stakeholders

<u>Relational resources</u>: limited with federations

Major obstacles to develop a strong reputational model

NEXT BUSINESS MODEL?

FISE'S FUTURE

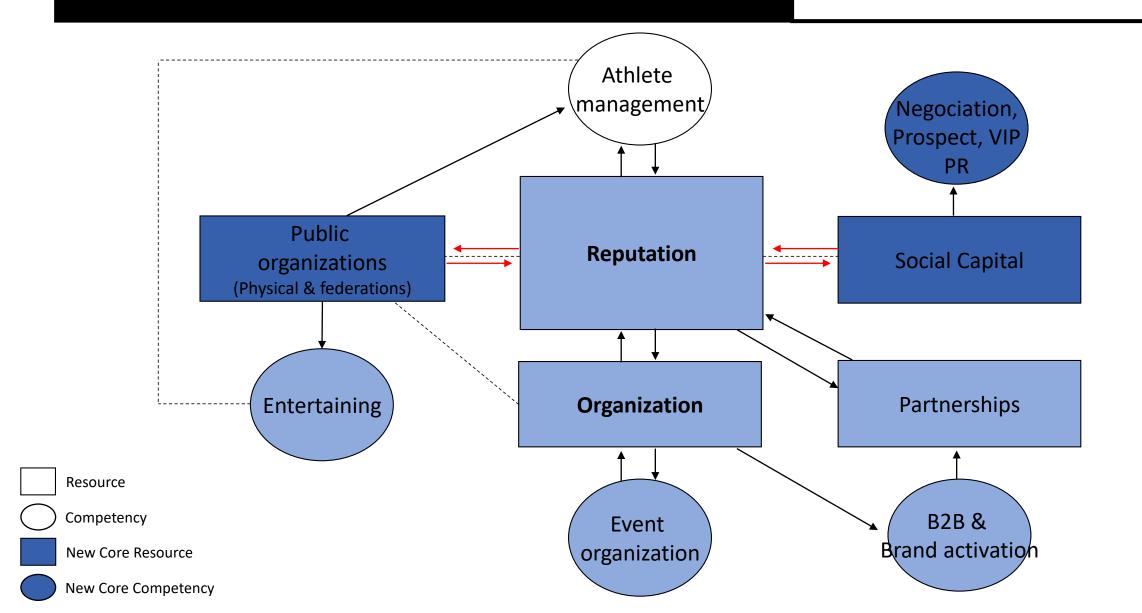
From an hallmark to a mega sport event

STRENGTHEN REPUTATIONAL MODEL **CULTURAL MODEL**

GLOBAL &
SUSTAINABLE SPORT
EVENT

1. STRENGTHEN CURRENT MODEL

BUSINESS MODEL



1. STRENGTHEN CURRENT MODEL

DEVELOPMENT AXES

SHORT/MIDDLE TERM GOAL

Strengthen current reputational business model by focusing on weak resources and develop synergy

FISE World Series and Experience

Develop a stronger relation with public organizations by first sign longer contracts with cities. Then try to organize event in worldwide exposed cities with and action sport culture. Instead of responding demands, take the lead and control event locations.

FISE Experience

Work with French federations and make the FISE part of national competitions (skate mega ramp opportunity with Commission Nationale de Skateboard).

Powered by FISE

Supporting sport event scene but with a white label, to create a stronger FISE brand (without FISE Metropole which is difficult to understand).

New resources

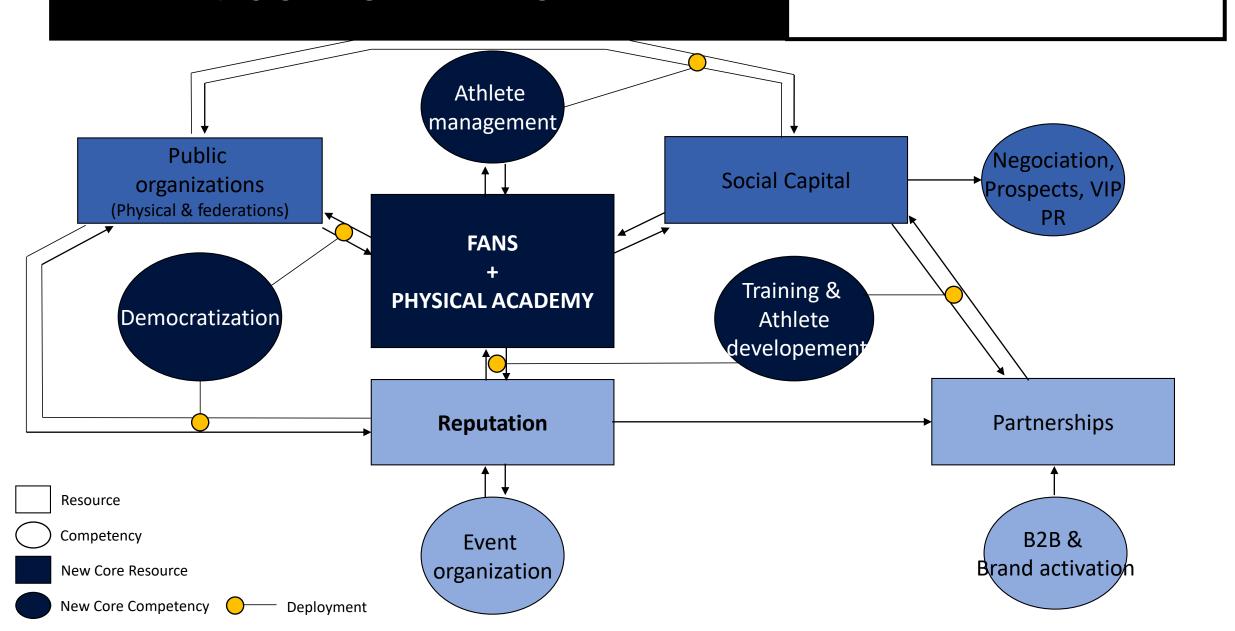
Public organizations and Social capital

New competencies

Negociation, Prospects by taking the lead, VIP services and Public Relation

2. CULTURAL MODEL

BUSINESS MODEL



2. CULTURAL MODEL

DEVELOPMENT AXES

LONG TERM GOAL

Create a cultural business model by focusing on new resources (and develop linked competencies to create assets)

Physical Academy

Create an European action sport training camp, owned and manage by Hurricane. Develop a sort of European Woodward along with core partners (Jart, Total BMX, Globe....), federations, sports event brand (UCPA) and pro athletes to train and support young athletes. To strengthen current FISE Academy.

Exposure

Use recent resources developed (public organization and social capital) as a tool to promote FISE brand across the world and increase awareness. Make it globally exposed by working on media rights.

New resources

Fans and physical academy

New competencies

Democratization, athlete management, training & athlete development

SUSTAINABLE EVENT

Reputation Organizational CORE ASSET Competences **Partnerships Brand & Activation CORE ASSET** management Democratization CORE ASSET Fans Training & Athlete Physical academy + **CORE ASSET** developement Social capital Negociation, VIP, **CORE ASSET** PR, Prospect

THANK YOU





SOURCES

FISE website - fise.fr

FISE Area website - fise-area.net

FISE Academy website - fise-academy.com

Hurricane Agency website - hurricane-agency.com

FISE event's media guides (2017)

The expressiveness quotient (Fombrun and Van Riel, 2004)

Lionel Maltese resources

Mathieu Aurran

(Directeur Organisation Administratif et Financier

at Hurricane Action Sport Company)