

THE PANASONIC GOLF RANKING SYSTEM

Golf today is truly an international sport. It is played and followed by generally upscale audiences in every major country in the world. The Panasonic Ranking System provides an opportunity for the company to reach these audiences regularly through a highly visible association with the game on a worldwide basis.

Within professional golf, there are nine major golf Tours, or circuits, around the world. Each Tour organizes and publicizes its own events and its own order of merit or ranking list based on the amount of prize money won by participating professionals in the official tournaments comprising that particular Tour. Because the geographic Tours vary so considerably in terms of the number of events played, the amount of prize money offered and, most importantly, the general standard of the players comprising the Tour, and because no attempt has been made to "standardize" results, there is currently no authoritative way to rank golf professionals on worldwide performance. Until recently, the leading player on the U.S. PGA Tour Money List (the largest and richest circuit) was acknowledged as the best player in the world. Now, however, with the top professionals increasingly playing outside their own "home" Tours, the world of golf is becoming more and more international, which obscures and confuses the facts. If, for example, Seve Ballesteros, who is generally regarded as one of the top three players in the world, chooses in 1985 to play ten events in the United States, ten on his "home" European Tour, four in Japan, two in Australia and one in South Africa, he would conceivably win the British Open and the U.S. Open and not be ranked among the top five players on any Tour.

Professional tennis, which also operates with simultaneous events occurring on a worldwide basis, has solved this problem through the use of the Atari-sponsored ATP Rankings, a computer-based system which ranks all players and is widely recognized as a measure of the players' ability and as a determinant in qualifying for particular tournaments. Within the Golf Division of IMG, which manages the career activity of some 50 touring professionals and owns or operates over a dozen tournaments on the U.S., European and Japanese Tours, we have developed a similar concept for golf. This system will, when computerized and implemented, provide both a means and a standard for measuring professional golfers' performance on a worldwide basis. The Ranking System assigns a weight to all official

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tournaments played on the various golf circuits. It takes into account both the strength of the field and the relative importance of the event. Ranking points are earned for finishes within the top ten of tournaments with a starting field of at least thirty. The system produces a ranking for a given (rolling) year and for a three-year period, which perhaps more accurately reflects a player's true standing. While the exact rankings provoke the type of debate which can only serve to highlight the service, the opinion of experts that have been consulted is that the weighting system employed is valid.

IMG's objective is to establish The Panasonic Ranking System as the authoritative reference on the relative performance of the 200 top players worldwide and to make it the industry standard, such that it would be established as the criterion for selecting players for prestigious invitational tournaments and for calculating performance bonuses and incentives in player contracts. To achieve this, IMG will provide consulting and implementation services to Panasonic in all phases of formulation of the strategic plan, including:

- * System Development
- * Data Collection
- * Results Distribution
- * Planned Supporting Activity
- * Advertising/Public Relations/Special Events

Sponsorship of The Ranking System provides a unique opportunity to Panasonic to become a major influence in the golf world on a global basis. In addition to sponsorship fees of:

Year 1: \$ 520,000

Year 2: 570,000

Year 3: 630,000

Panasonic will be expected to provide computer time and programming expertise in both the System development and implementation stages, as well as resources for the development of a timetable and the execution of the plan.

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PANASONIC
WORLD RANKINGS

1985

PLAYER	CIRCUIT	Year Totals				Weeks 1 - 7 (thru Doral)			
		1982 X1	1983 X2	1984 X3	1982/4 TOTALS POS.	Minus 1982 X1	Plus 1985 X3	1982/5 TOTALS	POS.
Ballesteros	Eur 1	130	376	477	983 2	- 4		979	1
T. Watson	USA 1	187	292	507	986 1	- 31	+ 9	964	2
Norman	Aus 1	85	220	519	824 3	- 31	+ 33	826	3
L. Wadkins	USA 2	127	192	306	625 5	- 46	+120	699	4
Langer	Eur 2	41	160	429	630 4	- 12	+ 54	672	5
Faldo	Eur 3	57	266	231	554 6	- 13	+ 36	577	6
Stadler	USA 3	185	142	210	537 8	- 53	+ 87	571	7
Peete	USA 4	113	190	180	483 10	- 26	+ 60	517	8
Sutton	USA 5	59	278	153	490 9	- 10	+ 36	516	9
Kite	USA 6	126	160	261	547 7	- 43		504	10
O'Meara	USA 7	4	26	345	375 23	- 20	+120	475	11
Crenshaw	USA 8	28	176	270	474 12	- 20		454	12
Nicklaus	USA 9	111	172	198	481 11	- 29		452	13
Bean	USA10	56	132	282	470 13	- 25		445	14
Nakajima	Jap 1	76	202	162	440 16	- 2		438	15
Aoki	Jap 2	52	240	159	451 14	- 20		431	16
Lyle	Eur 4	73	80	270	423 19			423	17
Strange	USA11	97	100	231	428 18	- 33	+ 27	422	18
Zoeller	USA12	51	220	168	439 17	- 19		420	19
Trevino	USA13	11	100	282	393 20	- 4		389	20
G. Morgan	USA15	37	204	201	442 15	- 64		378	22
S. Simpson	USA16	36	90	246	372 24	- 14	+ 15	373	23
Floyd	USA17	161	136	63	360 28	- 3	+ 12	369	24
Torrance	Eur 5	48	80	240	368 25			368	25
Couples	USA14	21	100	255	376 22	- 15	+ 18	379	21
Lietzke	USA18	57	76	231	364 26	- 3		361	26
Irwin	USA19	38	192	156	386 21	- 33		353	27
Jacobsen	USA20	50	86	225	361 27	- 14		347	28
D. Graham	Aus 2	51	176	129	356 29	- 10		346	29
Pavin	USA21	-	84	204	288 36	- 25	+ 42	305	30
D. Watson	SAF 1	35	26	240	301 32	- 9	+ 12	304	31
Nelson	USA22	63	118	111	292 34	- 5	+ 6	293	32
Marsh	Aus 3	85	106	105	296 33	- 8		288	33
Price	SAF 2	38	108	168	314 31	- 44	+ 15	285	34
J. Miller	USA23	54	140	123	317 30	- 48	+ 6	275	35
Gale	Aus 4	53	104	120	277 37	- 10	+ 6	273	36
Stewart	USA24	53	66	138	257 41	- 2	+ 15	270	37
Koch	USA25	14	78	180	272 38	- 26	+ 15	261	38
Haas	USA26	83	90	90	263 40	- 5		258	39
Levi	USA27	82	88	120	290 35	- 36		254	40
Arai	Jap 3	32	52	138	222 48		+ 27	249	41
Canizarez	Eur 6	32	96	120	248 42			248	42
Hoch	USA28	71	56	141	268 39	- 21		247	43
Kuramoto	Jap 4	40	94	105	239 43	- 1		238	44
Baker-Finch	Aus 5	-	42	141	183 58		+ 51	234	45
N. Ozaki	Jap 5	14	24	189	227 44			227	46
Eastwood	USA29	10	60	153	223 47			223	47
McCumber	USA30	-	148	78	226 45	- 15		211	48
Caldwell	USA31	21	136	60	217 50	- 46	+ 33	204	49
Mahaffey	USA32	13	52	147	212 51	- 30	+ 21	203	50

CURTIS STRANGE/PANASONIC

CONCEPT:

Curtis Strange is the champion of the Panasonic Las Vegas Invitational, the first of three major golf championships around the world sponsored by Panasonic in 1985. In addition, Strange nearly won the Masters tournament last week and is ranked Number One on the U.S. Money List, \$110,000 ahead of the second player.

Given these facts there exists an exciting opportunity for Panasonic to make an affiliation with the current best player in golf, which will simultaneously publicize and promote Panasonic's golf tournament sponsorships around the world.

SERVICES OF STRANGE:

Curtis agrees to:

- 1) Wear a Panasonic patch with the name, colors and logo of Panasonic on his (a) golf bag and (b) clothing or visor. Strange will, therefore, be recognized as "Panasonic's Pro" wherever he plays throughout the world.
- 2) Play the Panasonic European Open in London August 29th - September 1st, 1985.
- 3) Play the Panasonic Australian Open in Melbourne November 14th - 17th, 1985.
- 4) Grant advertising rights for Panasonic to publicize and promote his association with Panasonic in all media throughout the world. In this regard, Strange will make himself available for photography sessions as required.
- 5) Give a private clinic and attend a cocktail party/dinner for Panasonic executives and customers when he is in (a) London for the European Open; (b) Melbourne for the Australian Open; and (c) Las Vegas to defend his title in 1986.
- 6) Play a private golf outing when he is in Japan in November 1985 with Mr. Matsushita and other Panasonic guests. This will include a warm-up instructional clinic by Strange; 18 holes of golf; cocktails; an awards presentation where Curtis will personally present prizes to the amateur guests and have his photograph taken with each of them; and dinner.

COMPENSATION:

For this package of services, Strange to receive \$150,000 from Panasonic plus bonuses for major achievements in golf.

OPTION:

Panasonic shall have the option to retain Curtis Strange in 1986 for \$150,000.

CONCLUSION:

Can the Number One player in golf add the Panasonic European Open and Panasonic Australian Open to the Las Vegas Championship he has already won? Follow the excitement throughout the year as Panasonic's Pro, Curtis Strange, accepts the challenge and travels first to Sunningdale, then to Royal Melbourne in search of two more Panasonic championship golf trophies.

TEAM PANASONIC

CONCEPT:

Create a team of 8 top golfers who will

- (1) wear Panasonic identification throughout the year and be recognizable as "Panasonic's Team" wherever they play golf tournaments during the year;
- (2) play all three of Panasonic's major golf championships - Las Vegas, European Open, and Australian Open - focusing increased publicity and media attention on these tournaments as a result of their presence;
- (3) appear at golf outings or other customer entertainment functions on behalf of Panasonic throughout the world;
- (4) compete for a Bonus Pool to be awarded at the end of each year according to how "Team Panasonic" has played in the three Panasonic sponsored tournaments plus other designated golf championships around the world. This will create an on going promotional vehicle for Panasonic throughout the year as the current standings of "Team Panasonic" are published every week or two in golf magazines, newspapers, and other media.
- (5) Panasonic can also bring this exciting promotion to its most important markets by designating 10 golf tournaments throughout the world where we will guarantee that at least 4 "Team Panasonic" players will appear. Panasonic can organize local promotions in these cities utilizing the players on its team who will be there that week.

THE PLAYERS:

It is important that "Team Panasonic" consist of the most visible, well-known, and attractive top golfers in the world today. From the standpoint of Panasonic's worldwide marketing strategies it may also be important to include a mix of international stars from various countries. With these considerations in mind, we propose the following leading players:

CURTIS STRANGE	-	U.S.A.
GREG NORMAN	-	AUSTRALIA
SANDY LYLE	-	UNITED KINGDOM
BERNHARD LANGER	-	WEST GERMANY (EUROPE)
MARK O'MEARA	-	U.S.A.
NICK PRICE	-	SOUTH AFRICA
TOMMY NAKAJIMA	-	JAPAN
COREY PAVIN	-	U.S.A.

PANASONIC IDENTIFICATION:

This can take various forms, including (1) caps or visors; (2) patches to be worn on the player's golf shirts, sweaters, and raingear; (3) patches on the player's golf bags, e.g. not just a patch but an entire golf bag in Panasonic colors with Panasonic name and logo broadly displayed throughout. Players from the above list who are available to carry such bags throughout the world beginning in 1986 are Sandy Lyle, Mark O'Meara, Nick Price and Corey Pavin.

COMPENSATION TO PLAYERS:

\$1,000,000 to be divided up as follows:

Salaries - \$600,000

This amount will compensate 8 top players for services to Panasonic:

- (1) Wearing Panasonic identification.
- (2) Playing all 3 Panasonic sponsored tournaments (Las Vegas, European Open & Australian Open).
- (3) Appearances at golf outings, clinics and other Panasonic customer entertainment events during the year.
- (4) Guaranteed appearances at certain other golf tournaments in markets around the world to be designated by Panasonic.

COMPENSATION TO PLAYERS (CONT):

Bonus Pool - \$400,000

The 8 members of "Team Panasonic" will compete for points in the 3 Panasonic sponsored tournaments plus the 4 major championship of golf and other tournaments where Panasonic would like to influence its players to appear. The bonus pool breakdown will be:

1	\$110,000
2	\$85,000
3	\$65,000
4	\$50,000
5	\$30,000
6	\$25,000
7	\$20,000
8	\$15,000

COMPENSATION TO IMG:

\$150,000 in return for creating the "Team Panasonic" idea; implementing the concept with the players by securing their commitment to the program and ensuring their participation; publicizing "Team Panasonic" to the worldwide golf press; coordinating the players' schedules to accommodate appearances throughout the year on behalf of Panasonic; and consultation with Panasonic to maximize the promotional return from its investment in this program.

CONCLUSION:

This is a very exciting idea utilizing leading professional golfers and major golf tournaments around the world that has never been done before by a multi-national company. With this program Panasonic can:

- (1) make its sponsorships of 3 golf tournaments in the U.S.A., U.K. and Australia far more important by guaranteeing the participation at each event of 8 top star players;
- (2) create with the Bonus Pool an ongoing promotional vehicle that can be publicized by the media throughout the year;

CONCLUSION (CONT):

- (3) deliver to its most important worldwide markets leading golfers who will participate in that city's tournament and be available for clinics or other promotions while they are there with Panasonic dealers and customers;
- (4) guarantee visibility of the Panasonic name and logo on television and in newspaper/magazine photographs around the world as a result of 8 top golfers competing all year in tournaments wearing Panasonic patch identification or carrying Panasonic bags.