

# SPECIAL REPORT: THE HORSE BUSINESS

SPORT'S MONEY MAGAZINE

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children, they've ne... or stickers towards...  
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"Within the 12 mo... market, we've man... leader," says Warsop.  
Given the blitzy... entrance to the US... appropriate to ask... its arrival from tra... companies it was... hails from England... Merlin from 1993... to take up the role... Panini UK in 2001... was some reservati... that had criticised... Deck and Topps w... European new kid... now that the comp... dodgers. "It's real... the 12 months we... pacified any conce... of the product that

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## TRADING PLACES

When Mark Warsop left the UK to take up the role of chief executive of Panini America last year, he took on the task of capitalising on the Fifa World Cup in a market often regarded as sceptical about soccer - as well as leading the company's march in the traditional American sports.

By Adam Fraser

➤ The statement from Sid LaRocca, executive vice president of the National Basketball Association's Global Merchandising Group, sounded almost apologetic. "Over the years, NBA trading cards have served as an important source to connect fans of all ages with our game," he said. "As we look to the future of our trading card business, there is general consensus, including with our current partners, Topps and Upper Deck, that moving forward with an exclusive partner is the best way for us to energise the category globally. We are fortunate to have had three outstanding companies interested in our trading card business and believe Panini's position as the leading global company in this industry aligns best with our worldwide growth strategy."

LaRocca was announcing the news that

Topps and Upper Deck, the two American companies who had between them produced the NBA's trading cards for more than half a century - Topps' first NBA contract was signed in 1957 - would not be involved in the following four seasons. Instead, Italian-born Panini would distribute NBA trading cards over the next quadrennium, opening a US office and producing up to 20 different NBA-licensed products each season. Upper Deck and Topps seemed shell-shocked by the decision: the former thanked the "loyal collectors and consumers who have passionately supported Upper Deck basketball products," while the latter simply announced that matching Panini's bid, "does not make economic sense."

If for Upper Deck and Topps - and US consumers - it was a shock, for Panini it was a very logical next step. "Panini had

very little presence in the US up until 2009," says Mark Warsop, now chief executive of Panini America. "Panini is the world's largest collectibles business, but the US market has been one of very few where the presence of Panini has not been at a level where we would have liked." Indeed, though the company had recorded worldwide sales of some US\$1 billion in 2008, the US portion of that figure was minimal. But importantly to the NBA, says Warsop, much of that US\$1 billion came from a far younger age bracket than the traditional customers of Topps and Upper Deck: in the US, he explains, the collectibles market is very much an adult market. "Unfortunately because it's an adult market, the market's been shrinking and the hobby's been shrinking as people have got older, because they haven't been feeding the hobby with new collectors," he expands. "They've not been doing promotions towards