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105th ANNUAL REPORT

2001



NATIONAL SPORT INFORMATION CENTRE
AUSTRALIAN SPORTS COMMISSION
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AUSTRALIA

29 APR 2002



AUSTRALIAN FOOTBALL LEAGUE

2001

A YEAR TO REMEMBER

When the Brisbane Lions won their first premiership in 2001, it marked another important milestone in the continued national development of our game. For the first time, a club based north of the Murray River had won an AFL premiership.

Brisbane's 26-point win over 2000 premier Essendon was part of an unfinished 16-game winning streak – a club record – which started, ironically, against Essendon in round 10 at the Gabba.

Essendon's consistently high level of achievement should also be acknowledged. The Bombers have won 62 games, including five finals and the 2000 Grand Final, and lost 12 premiership season matches and finals since 1999.

In this Annual Report we review 2001, a year of many achievements including:

- AFL revenue reached a record \$116.6 million, up \$5.8 million from 2000, which produced a record operating surplus, before payments to clubs and game development grants, of \$66.5 million, an increase of \$4.4 million on 2000.
- The AFL Commission released its three-year strategic plan. (The key objectives of this plan are noted from pages 8-14 of this report.)
- A new broadcasting agreement, a benchmark for Australian sport, was concluded with News Limited, Network Ten, the Nine Network and Foxtel.
- A new internet agreement was concluded with Telstra, with afl.com.au the portal to the AFL-Telstra network.
- After three years of planning, the sale of Waverley Park was conditionally concluded.
- Attendances for the premiership season, finals and pre-season competition reached 6.8 million, the second highest on record.
- Overall participation increased with AFL Auskick growing by 18 per cent
- Television audiences increased in all capital city markets, except Adelaide when compared to 2000.

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Front cover: The elation of winning the Grand Final was overwhelming for Brisbane Lions captain Michael Voss.

Inside back cover: AFL Structure.





PREMIERS 2001



Brisbane Lions 15.18 (108)

and Essendon 12.10 (82)

MCG, September 29, 2001.



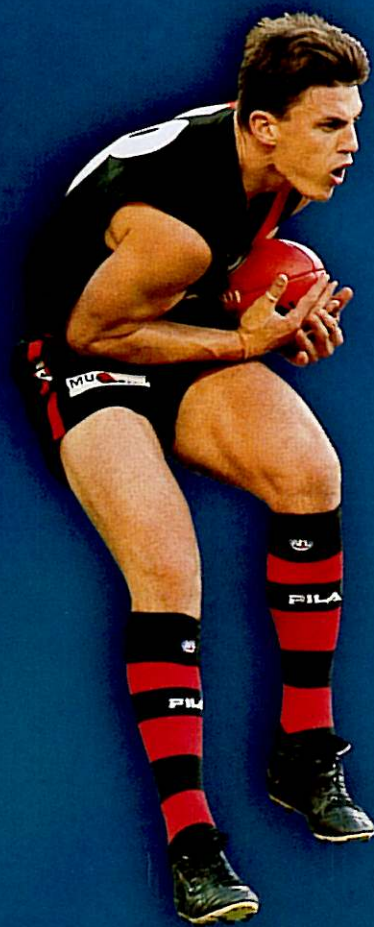


OBJECTIVES & EXECUTIVE REPORT

IN 2001, the AFL released its three-year strategic plan to ensure the future growth and prosperity of the game. The four objectives of the plan, listed on the following pages, are fundamental to the way the AFL works: to manage the elite game, to develop the game in all states and territories for all ages, to grow the strength of the AFL brand, and to enhance the financial state of football for all.

WINNERS, ACHIEVERS: Port Adelaide celebrates its victory in the 2001 Ansett Cup Grand Final.

Right: 2001 Coleman Medallist Matthew Lloyd.



Objective

TO effectively manage the national competition to ensure it is the most successful national elite sports competition for the benefit of our key stakeholders – our AFL clubs, the players and the public.

Achievements

Crowds were up 3.2 per cent to 6.8 million, the second highest on record. An agreement was reached to play premiership season matches at Stadium Australia in 2002.

An in-principle agreement was reached with the Melbourne Cricket Club to assist in the re development of the MCG.

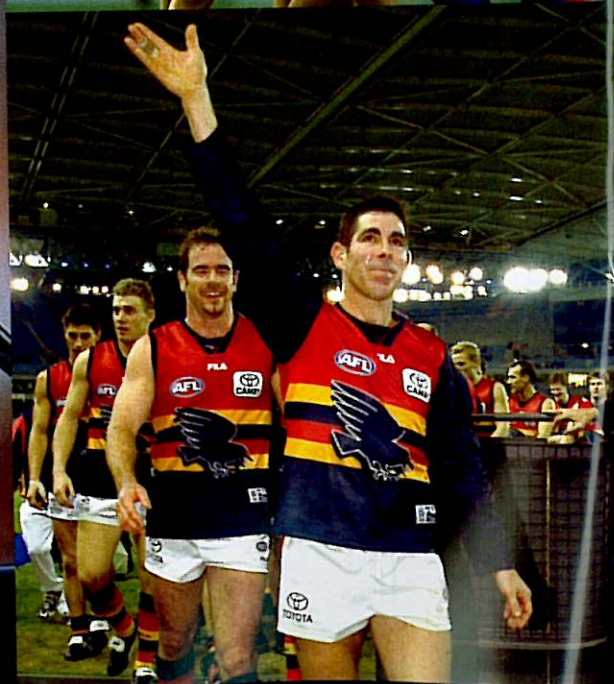
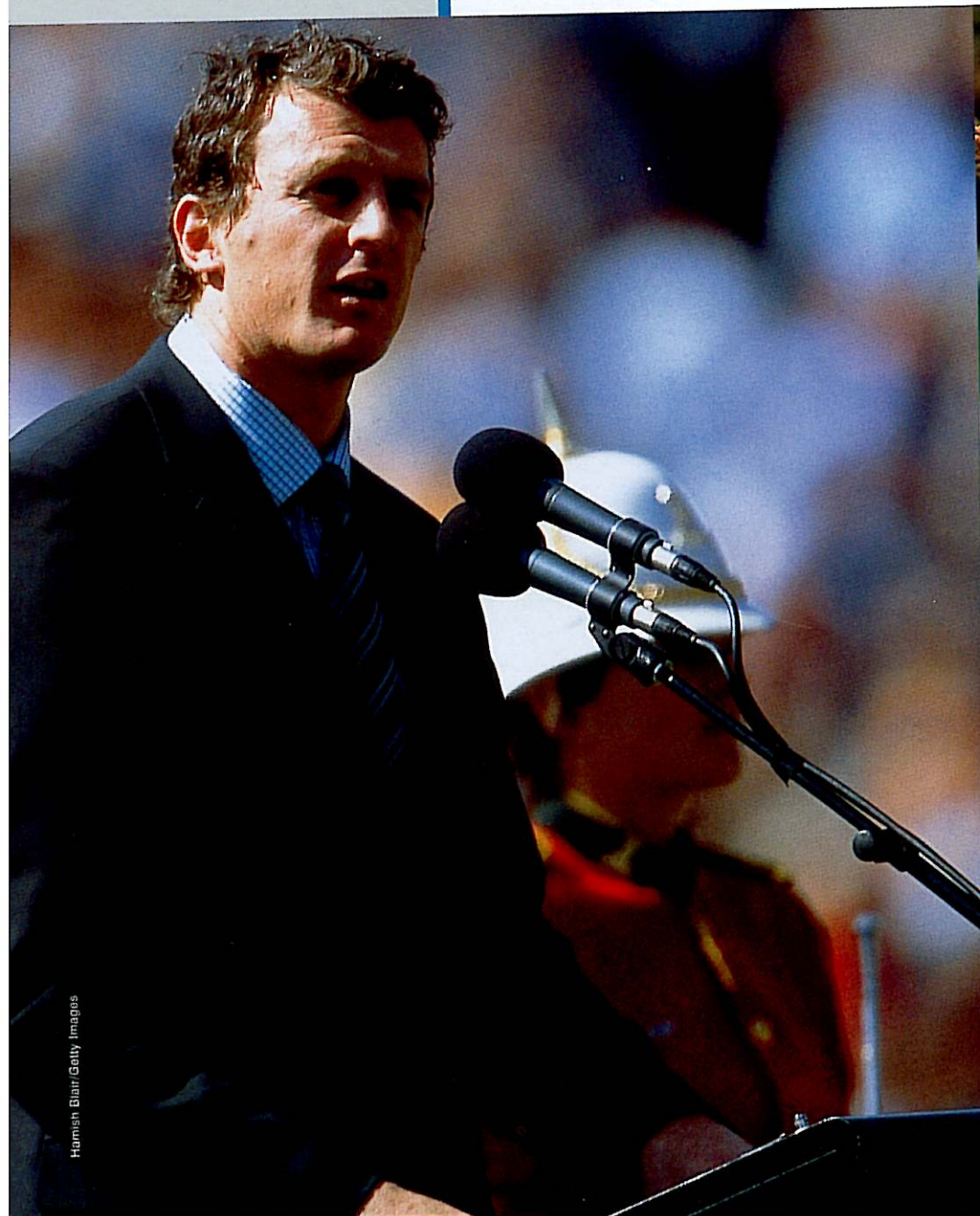
Matches were scheduled to maximise attendances, place all teams in all markets and provide appropriate breaks for players.

Negotiations were completed with the AFL Players' Association to establish player payments for 2002 and 2003.

A three-year agreement was reached with the AFL Umpires' Association.

New player rules and regulations were introduced to allow for greater equity in player lists, and there were changes to the draft rules.

Research was conducted in several areas to increase the knowledge base of AFL football.





Anti-clockwise: (from left) Brendon Gale, AFLPA president recites a statement on behalf of the AFL community at the 2001 Grand Final; the Kangaroos celebrate in style; Darren Jarman bids farewell; Matthew Lloyd notches his 100th goal for the season, much to the delight of his Essendon teammates.

Objective

TO promote high levels of player participation in well-managed programs at all levels of community football to ensure Australian Football is the pre-eminent national football code.

Achievements

Grants totalling \$16 million were invested by the AFL in the development of the game via the various states and territories. In addition, AFL clubs contributed another \$4.4 million to the states and territories via fees paid for players drafted to the AFL.

Through all age groups, participation rates grew by 1.6 per cent nationally.

AFL Auskick, the introductory program for children of primary school age and their families, had more than 94,000 participants registered nationally, up from 80,000 in 2000. The 100,000 mark is expected to be passed in 2002.

A comprehensive review of Game Development was conducted in 2001. Its recommendations, covering all areas of investment in the AFL game, from grassroots through coaching and umpiring education, and talent identification, will be considered in 2002.

The AFL's very broad aim when investing in grassroots football is to give as many children as possible, regardless of where they live, an opportunity to participate in our game.





Left: Meeting the stars [L-R]: Brad Ottens (Richmond), Wayne Campbell (Richmond) and Anthony Koutoufides (Carlton); Above: A day at the football can also mean protecting yourself from the elements ... and this young fan has succeeded!



Objective

TO promote public interest in the game by building the strongest consumer brand position in Australian sport.

Achievements

The AFL was confirmed as Australia's most powerful sporting brand in 2002 when a new five-year broadcast agreement was concluded with News Limited, the Nine Network, Network Ten and Foxtel, at levels far beyond any previous agreement.

The AFL negotiated a new five-year agreement with Telstra for the *afl.com.au* network, encompassing all clubs. *afl.com.au* is a world leader in sporting websites and will allow unprecedented multi-media access to the AFL game.

Carlton and United Breweries agreed to a new role as the AFL's premier partner, replacing Coca-Cola as our major sponsor. Coca-Cola continued its association with the AFL as our official soft drink. Volkswagen became the sponsor of the match day football; Simpson became the sponsor of the AFL Auskick program, Sherrin became the official football of the AFL and Tatt's TipStar joined the AFL as a partner in tipping games.

All this, despite a very difficult economic climate, in a post-Olympic year, traditionally a tough period for sporting organisations.

Generating this contracted revenue from sponsorship and broadcasting rights underpins the finances of the competition, and allows the AFL to maximise financial distributions to clubs and to keep admission prices as low as possible.

The AFL is aware that the strength of its brand extends to the way it relates to the community.

Initiatives in community relations in 2001 included the development of the A3 project with beyondblue, the national depression initiative, while the AFL continues to lead Australian sport in areas of racial and religious harmony on and off the field, and in the management of its anti-doping policy.

The AFL Game Development program extends across all cultures, age groups, gender and economic status. The AFL Kickstart program, focused on Aboriginal communities, promotes health and lifestyle messages, and utilises role models from the AFL.





Anti-clockwise from top left: Bringing the ball into play; the famous Sherrin footballs; Happy Dogs, the Western Bulldogs scored a great win over Geelong in round 12, much to the delight of coach Terry Wallace and players Nathan Eagleton (centre) and Rohan Smith.

Objective

TO maximise the economic benefits of Australian Football to our member clubs, our players, the supporters, the football fraternity and the community at large.

Achievements

In 2001, the AFL Commission's five-year financial strategy, designed to ensure the distribution of increased funds from broadcasting and corporate sponsorship and the sale of Waverley Park, had the greatest possible benefit for the national competition, AFL clubs and players. It was unanimously endorsed by the AFL clubs.

A financial assistance package was designed to assist Clubs in financial difficulty.

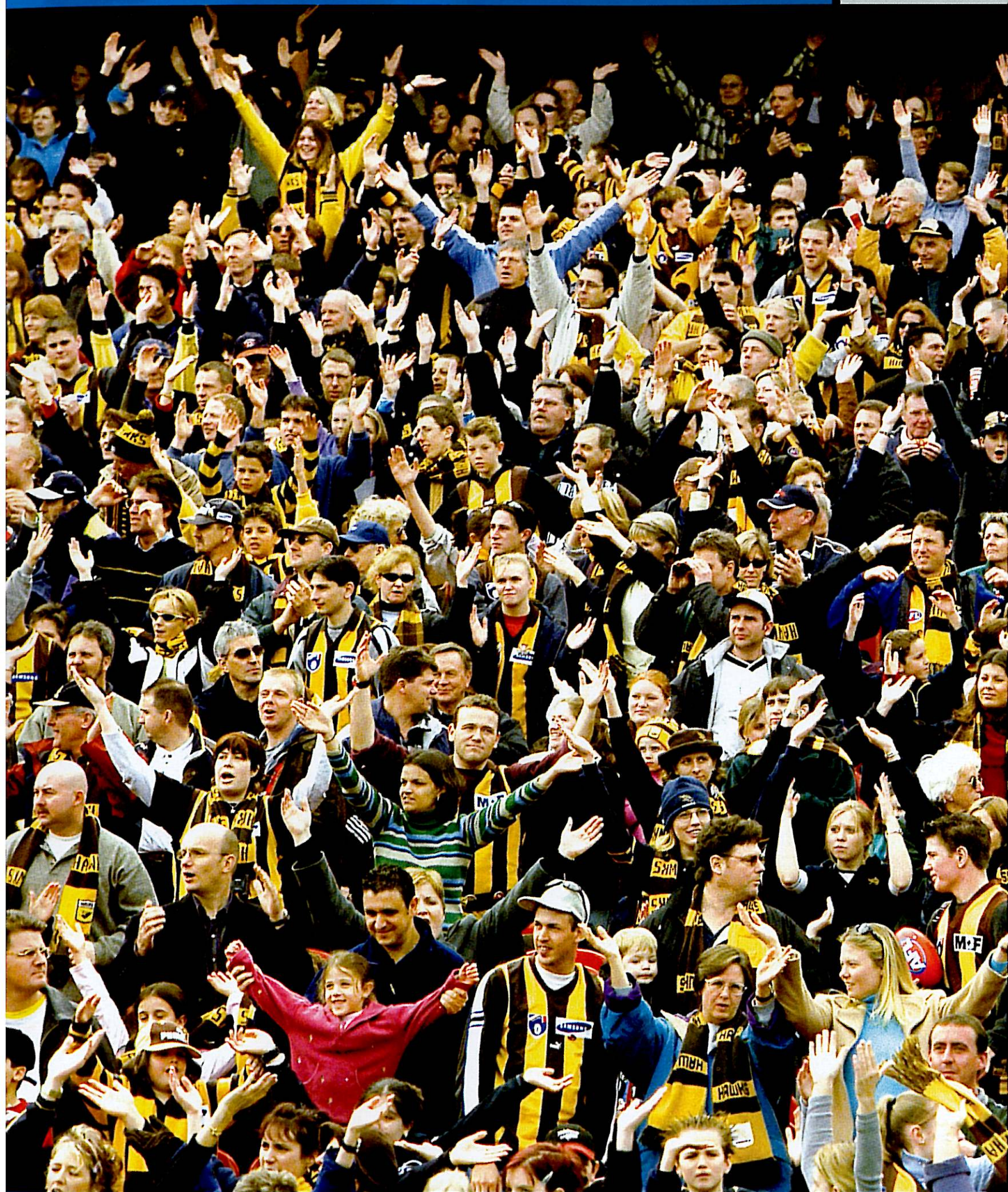
AFL club financial results for the last 10 years were reviewed, and the requirements of clubs for the next five years were projected.

The AFL provided financial advice to state bodies and designed and implemented monthly reporting processes where relevant.

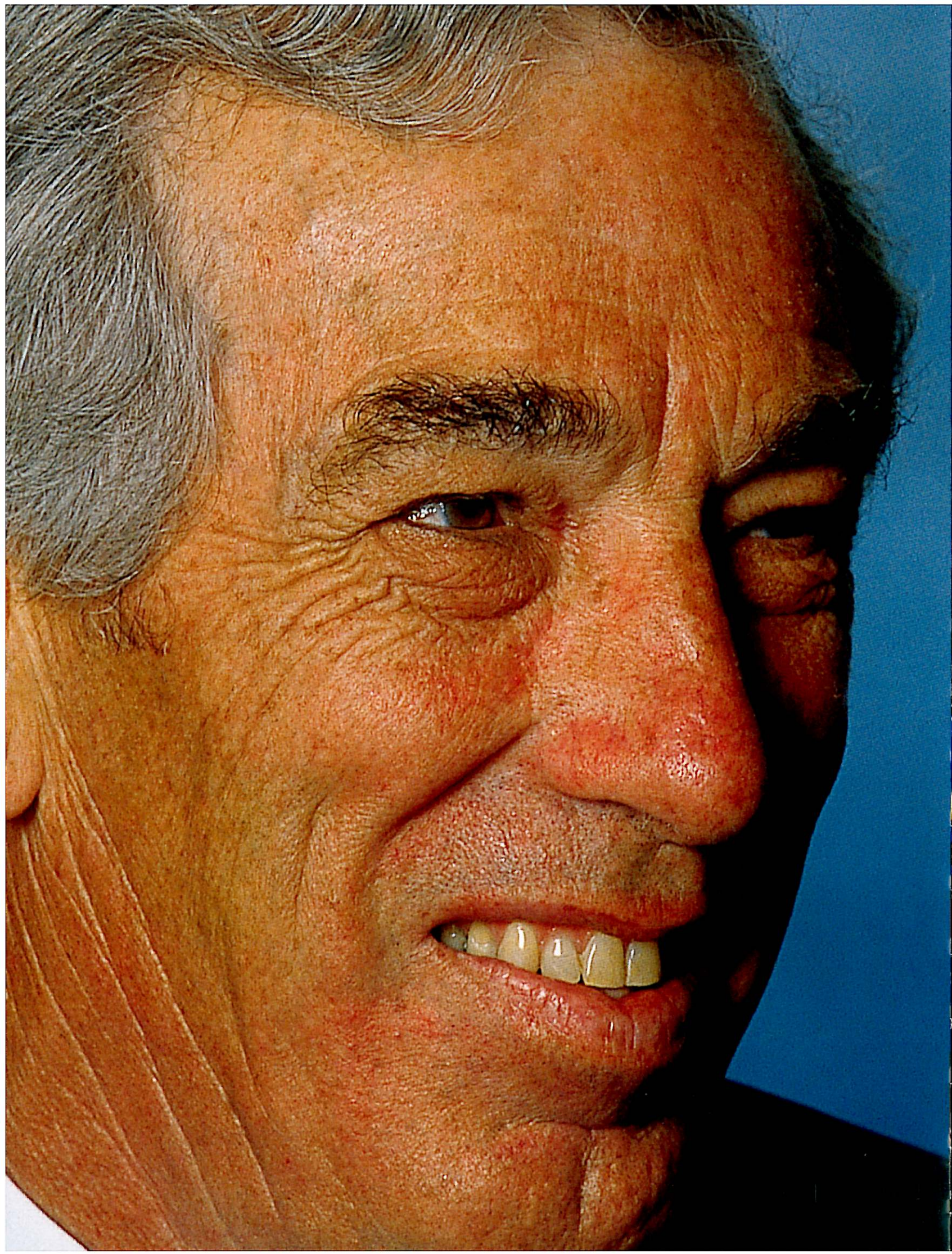
Appropriate policies and procedures to ensure consistent and proper internal controls were drafted and implemented to ensure the AFL's daily decision-making processes were managed effectively.

A challenging, yet realistic, budget for the AFL for 2001 was set and record AFL revenues reached, and a record operating surplus was achieved before payment to clubs and development grants. ✓





Left: Competitive: Adelaide ruckman Matthew Clarke contests a hit-out with Sydney's Greg Stafford during a match at the Sydney Cricket Ground in season 2001;
right: How easy Hawks? Hawthorn fans were tickled pink when their side made it to the preliminary final.



A YEAR OF GREAT ACHIEVEMENT

Financial strategy aims at supporting clubs and the national development of the AFL game

While the year 2001 was highlighted by many achievements on and off the field, the financial status of the game and that of several of our clubs remains a challenge.

The conditional sale of Waverley Park – conditional only on planning requirements being fulfilled – and the conclusion of a new broadcasting rights contract, both achieved during 2001 can, however, be expected to ease the financial burden of both the AFL and the clubs.

Notwithstanding these results, careful and considered planning will be required over the next one or two years to ensure the improved financial prospects for the competition and clubs.

The responsibility we have, in conjunction with all of our key stakeholders, to provide effective financial management of the AFL competition in particular and the game itself cannot be understated, and is one of the key objectives of the AFL's strategic plan, tabled in 2001.

The financial pressures being faced by some clubs have been well documented and the AFL Commission, through the strategies in our financial plan, shares a common objective to support a 16-club competition.

Total AFL revenue in 2001 was \$116.6 million, an increase of \$5.8 million which produced an operating surplus for the AFL of \$66.5 million (before payments to clubs and game development grants), an increase of \$4.4 million on the 2000 operating surplus.

In 2001, as in the previous year, the AFL Commission resolved to meet the full increase in player payments by bringing forward more than \$11 million in future broadcasting revenue.

Providing this additional support for clubs and their players and maintaining our investment in national game development programs were the key factors in the 2001 deficit of \$16.8 million. Payments to clubs in 2001 reached \$61.8 million, game development grants were \$16.5 million, and \$5 million was paid to the AFL Players' Association under the terms of our collective bargaining agreement with the AFLPA to support a players' retirement fund and various welfare and career or personal development programs. Total borrowings for the AFL at the end of 2001 were \$19 million – up \$12 million on last year.

It is my view that football is most unlikely to ever get an opportunity such as the one we have had in 2001 to financially support the development of the code into the long term. The challenge is to ensure that the increased revenue coming into the game from broadcasting, new media and corporate sponsorship and the proceeds of the sale of Waverley Park are utilised prudently to further secure the long-term future of Australian Football.

Mindful of this, in 2001 the AFL Commission developed a five-year financial strategy which was unanimously endorsed by our clubs.

The key component of this plan was a decision on the distribution of the receipts from the sale of Waverley Park. It was decided to:

- provide each AFL club with access to a \$2 million advance from the proceeds of the sale, via an AFL guarantee.
- reduce AFL debt.
- establish an AFL capital reserve and development fund from the proceeds of the Waverley Park sale.

By the end of 2002, AFL debt is forecast to reach an unsustainable level of \$47 million, after which period it will be significantly reduced. The debt reaches this level after taking into account our investment in Colonial Stadium and new AFL offices. It is the AFL Commission's view that the AFL should not carry any significant long-term debt because to do so would potentially put the competition at risk.

Leading the way

The key achievements in 2001 were in line with the AFL's long-term strategies, and the AFL executive and staff should be congratulated on several significant highlights, including the following:

- A new broadcasting agreement was concluded with News Limited, Network Ten, the Nine Network and Foxtel, extending from 2002 to 2006, inclusive. This arrangement was not only financially beneficial to the AFL and its clubs, but will provide unprecedented access to television coverage of the game in all states.
- A revolutionary new media agreement was completed with Telstra. The AFL-Telstra network, through afl.com.au, will provide AFL followers with a comprehensive view of the AFL game, with news, comment,



vision, audio, interactive opportunities, extensive archives, and direct communication with the AFL and its departments. This arrangement has created a world-class sporting website, in a constantly evolving digital world.

- After some three years of planning, the sale of Waverley Park was conditionally finalised. This outcome, subject to planning approvals, was fundamental to the AFL Commission being able to provide substantial financial assistance to our 16 clubs, reduce the AFL's debt and establish a capital reserve and development fund.

The vision of our forebears to invest in this land and concept more than 40 years ago has not only benefited the AFL game during its years of operation, but will impact on the stability of the AFL and its clubs for generations ahead.

- Carlton & United became our premier partner and competition naming rights sponsor in February 2001, with Coca-Cola continuing as one of the AFL's major partners. Other partners include Qantas (official carrier), Volkswagen (game-day football sponsor), Tatt's TipStar (tipping partner) and Simpson (AFL Auskick partner).
- Participation in New South Wales and Queensland continued to increase at rates beyond expectations. Long-term substantial investment will be required if we are to achieve our ultimate objective of being a truly national code which should not be confused with our national competition.
- AFL Auskick, a community-led participation, coaching and playing program, designed to introduce primary school children and their parents to Australian Football, continued as the benchmark of its type in Australian sport. More than 94,000 participants were registered throughout the country. An essential ingredient of AFL Auskick is that it is run by the community, while managed by the AFL Game Development Department in concert with the state bodies. Simpson became the naming rights sponsor of AFL Auskick.
- A national volunteer recognition program concluded with an invitation to Len and Ora Ablett, long-term volunteers, to toss the coin at the start of the 2001 AFL Grand Final. More than 27,000 volunteers were recognised with certificates distributed across Australia. The role of volunteers in our game, in all areas, cannot be underestimated, and the AFL extends its thanks to all those who support the game with such selfless commitment.
- An in-principle agreement was reached with the Melbourne Cricket Club and Melbourne Cricket Ground Trust for the AFL to contribute an additional \$5 million per year, indexed for 32 years to assist in the re development of the MCG. This is due to be completed for the 2006 Commonwealth Games. The development of the MCG from 2002 will have an impact on several components of our game, including ticketing

for the AFL Grand Final. The AFL has appointed a subcommittee to ensure there will be as little impact as possible from reduced capacity on the supporters of the participating clubs and the AFL Members.

- Agreement was reached with Stadium Australia for the Sydney Swans to play at least three premierships season matches at the venue for a minimum of seven years starting from 2002. These matches will be the central plank to further growth of our game in the greater west of Sydney, and will kick off with the round nine clash between Sydney and Essendon on Saturday night, May 25. Sydney's other games will be against Carlton and Richmond.
- Importantly, attendances for the pre-season competition, premierships season and finals increased by more than 3.2 per cent on 2000 reaching 6.8 million, the second highest tally on record.

Thanks

I wish to record my appreciation of the support the Seven Network, headed by Kerry Stokes, has given to football over 45 years. Seven's contributions, in all their forms, should be acknowledged with gratitude.

I would also like to thank the team involved in meeting the challenges and prospects we faced in 2001, and continue to face into the future. Wayne Jackson, his executive team and the AFL staff, are acknowledged Australia wide for their administrative expertise. They completed a difficult, but rewarding 12 months and we look forward to their contribution in 2002, a year which I believe will be a pivotal one for our game.

Finally, I wish to place on record the AFL's appreciation of the contribution to our game of former AFL Commissioner, Terry O'Connor. Terry played 300 games of amateur football in Western Australia, led a major restructure of WA football in the late 1980s as interim chairman of the West Australian Football Commission and was chairman of the West Coast Eagles from 1990 to 1993 before joining the AFL Commission. One of his major roles on the AFL Commission was to chair the NSW-ACT Task Force, which fundamentally changed our approach to development of the game in the northern markets.

His place on the AFL Commission was taken by former Adelaide Football Club chairman, Bob Hammond, who has had a distinguished career as a player and coach in the SANFL as well as a successful businessman. He has been a valuable member of the Commission in the past 12 months and we look forward to his on-going role.

Ron Evans

Chairman,
AFL Commission.



Congratulations

It was a great year on the field for several teams and individuals. Congratulations to the Brisbane Lions, who dominated the competition for much of the last half and finals, winning 16 straight games, including a great success over Essendon in the AFL Grand Final. This premiership, the first by a club based north of the Murray River, came in Brisbane's 15th season in the AFL competition, and five seasons after its merger with the Fitzroy club. It was particularly gratifying to see former Fitzroy players Alastair Lynch, Chris Johnson and Martin Pike in the winning combination.

The highlight, as far as individual success was concerned, was Jason Akermanis's win in the Brownlow Medal, a triumph for a young man who has overcome his share of adversity to take his place among the greats of the game. Less than a week later, Akermanis was awarded a premiership medallion while his teammate, Shaun Hart, capped an outstanding career with the Norm Smith Medal as best player in the Grand Final.

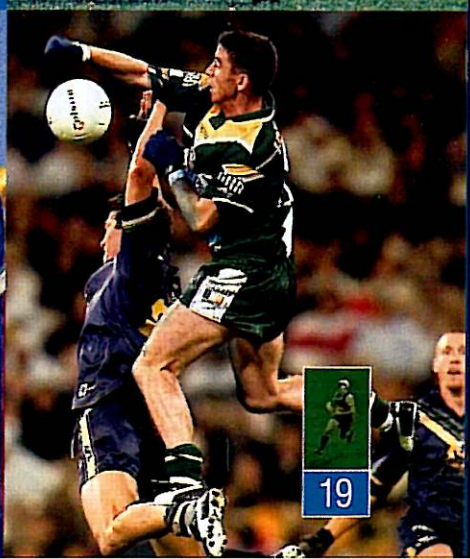
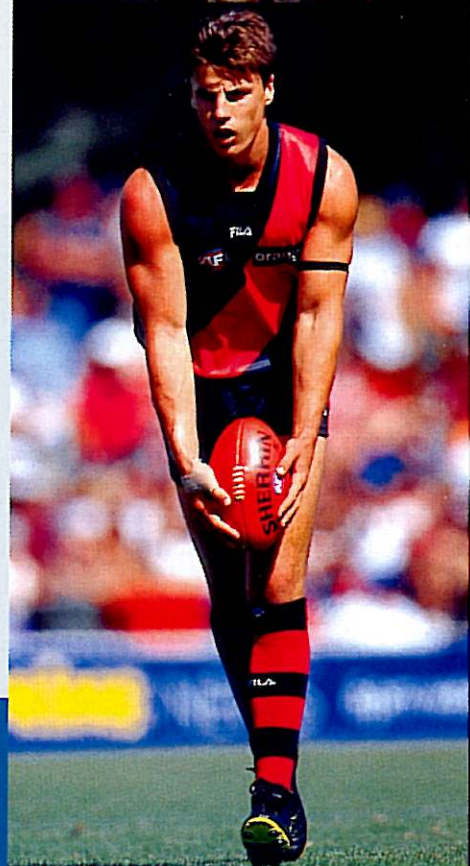
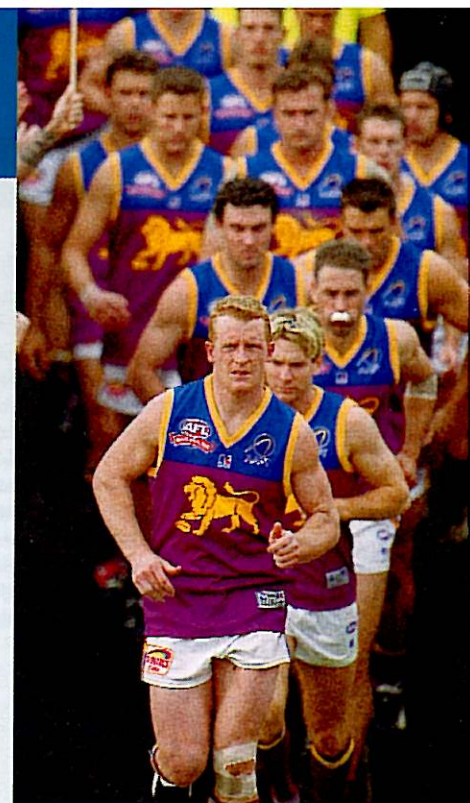
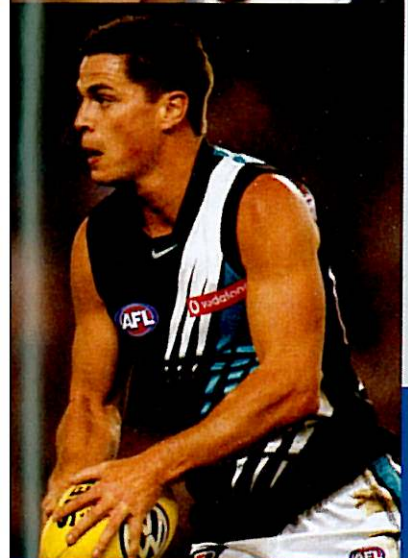
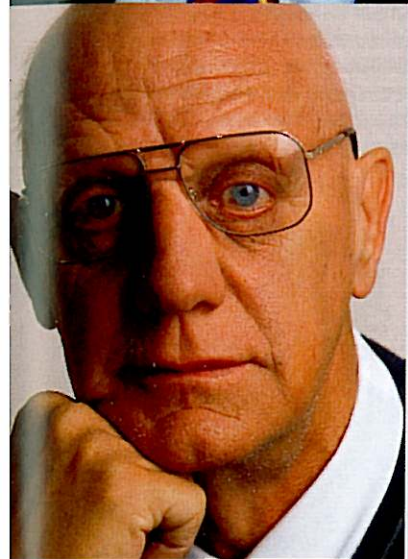
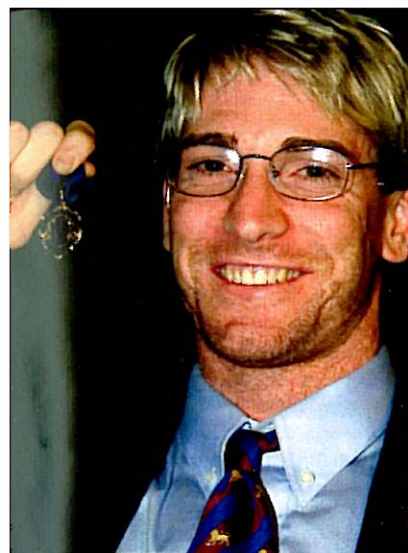
The AFL also congratulates Leigh Matthews on becoming the first recipient of the Jock McHale Medal, awarded to the premiership coach. The medal commemorates former Collingwood icon Jock McHale who holds the record of most games coached (714 games between 1912 and 1949) in VFL/AFL history. Retrospective Jock McHale medals have been awarded to premiership coaches going back to 1950. All premiership coaches will now receive medals.

Port Adelaide's success in the Ansett Cup was its first major trophy, a remarkable effort given the club was embarking on just its fifth year in the AFL. The win was made even sweeter when utility Adam Kingsley was awarded the Michael Tuck Medal as best afield in the grand final.

While Matthew Lloyd and his Essendon teammates were disappointed at losing the Grand Final, the young Bombers star could take some consolation in the fact he was the Coleman Medallist for the second successive year and again kicked more than 100 goals in a season. Retrospective Coleman Medals have been awarded to all leading goalkickers at the end of the home and away season from 1955 to 1980 (the medal was first presented in 1981). The Leading Goalkicker Medal will be presented to those who led the goalkicking in the years before 1955. Lloyd also won the Jim Stynes Medal as best player for Australia in the International Rules Series which saw Ireland avenge its loss of the previous year and defeat Australia 2-0.

In keeping with the AFL's wish to honour past champions and preserve the rich history of our game, eight new members were inducted into the Australian Football Hall of Fame. They were Norm Ware, Jack Sheedy, Ken Fraser, Barry Round, Don Scott, Dale Weightman, Greg Williams and Stephen Kernahan. Former South Australian star Barrie Robran was elevated to Legend status.

WINNERS IN 2001 (clockwise from top left): Brisbane's Jason Akermanis won the Brownlow Medal; Michael Voss leads the Lions out for the 2001 Grand Final; Essendon's Matthew Lloyd was the Coleman Medallist for the second successive year; Ireland won the International Rules Series; Brisbane coach Leigh Matthews (left), captain Michael Voss and Norm Smith Medallist Shaun Hart enjoy the sweet taste of the premiership victory; Port Adelaide's Adam Kingsley won the Michael Tuck Medal; Barrie Robran was elevated to Legend status in the Australian Football Hall of Fame.



CHRIS LANGFORD

Played 303 senior games – including 25 finals – and 32 pre-season/night series matches with Hawthorn Football Club. Captain in 1994, vice-captain in 1993. Member of the 1986, 1988, 1989 and 1991 premierships teams and the 1986, 1988, 1991 and 1992 pre-season/night premiership teams. Represented Victoria in State of Origin matches 15 times and won the E.J. Whitten Medal as Victoria's best in 1987 and 1993. All-Australian player in 1987 and 1994. Life member of the AFL. Director of the AFL (NSW-ACT) Commission since 1998. Bachelor of Architecture, University of Melbourne, 1987. Architectural consultant, Insulboard Ltd, 1987 to 1988. Lend Lease Corporation, 1988-2000. Development director, Mirvac Group, from July 2000. Appointed to AFL Commission 1999.

COLIN CARTER

Senior adviser to the Boston Consulting Group and played a key role in the development of the report, Establishing the Basis of Future Success, adopted by the original VFL Commission in 1985. Director of Geelong Football Club 1987-1993. Bachelor of Commerce (Melbourne University). Master of Business Administration (Harvard University). Appointed to AFL Commission 1993.

BOB HAMMOND

Former South Australian player, captain and coach. Played 234 matches for North Adelaide in the SANFL between 1960 and 1973, 14 matches for Norwood from 1974 to 1975 and seven matches for South Australia. Captained both clubs, played in three North Adelaide premiership sides and coached Norwood to two flags. Coached South Australia in State of Origin football in 1984 – the same year he also coached Sydney for eight matches. Board member: Norwood Football Club 1980-1990. Chairman of the Adelaide Football Club 1991 to 2000. Life member of the SANFL and AFL. Proprietor of Half Case Warehouses, a chain of supermarkets in South Australia, from 1979 to 1989. Since 1990, he has been proprietor of Railroad Recyclers, a transport, demolition, storage and rail maintenance business. Board member of Festival City Broadcasters. Appointed to AFL Commission in 2001.


RON EVANS
Chairman

Played 64 games and kicked 210 goals as a full-forward for Essendon from 1958 to 1962. Leading VFL goalkicker in 1959 and 1960. President of Essendon Football Club 1988 to 1992. Managing director of Spotless Services Limited. Bachelor of Science (Melbourne University). Master of Business Administration (Monash University). Appointed to AFL Commission 1993.

BILL KELTY

Graduated as a Bachelor of Economics from La Trobe University, 1969. Appointed as an industrial officer, Federated Storeman and Packers Union, 1970. Appointed research officer for Workers' Education Association, Adelaide, 1974. Requested by ACTU to prepare and present minimum wage case on behalf of the Port Moresby Council of Trade Unions 1974. Appointed research officer/advocate for ACTU, 1974. Elected assistant secretary of the ACTU, 1983. ACTU secretary 1983-2000. Appointed to the Reserve Bank Board, 1987. Appointed chairman of the Commonwealth Government Regional Development Taskforce, 1993. Other appointments - member of National Labour Consultative Council since 1977; Committee for Melbourne since 1980 and member of Netforce since 1994. Appointed to AFL Commission 1998.

GRAEME SAMUEL

Left a career in law to become executive director of Macquarie Bank and subsequently became a corporate adviser. Trustee, MCG Trust (1992-1998). Chairman, Melbourne and Olympic Parks Trust. Chairman, Opera Australia (1995-2000). President, Australian Chamber of Commerce and Industry (1995-1997). Chairman, Inner and Eastern Health Care Network (1995-2000). President, National Competition Council. Member, Docklands Authority. Bachelor of Laws (Melbourne University). Master of Laws (Monash University). Appointed to original VFL Commission in 1984.

GRAEME JOHN

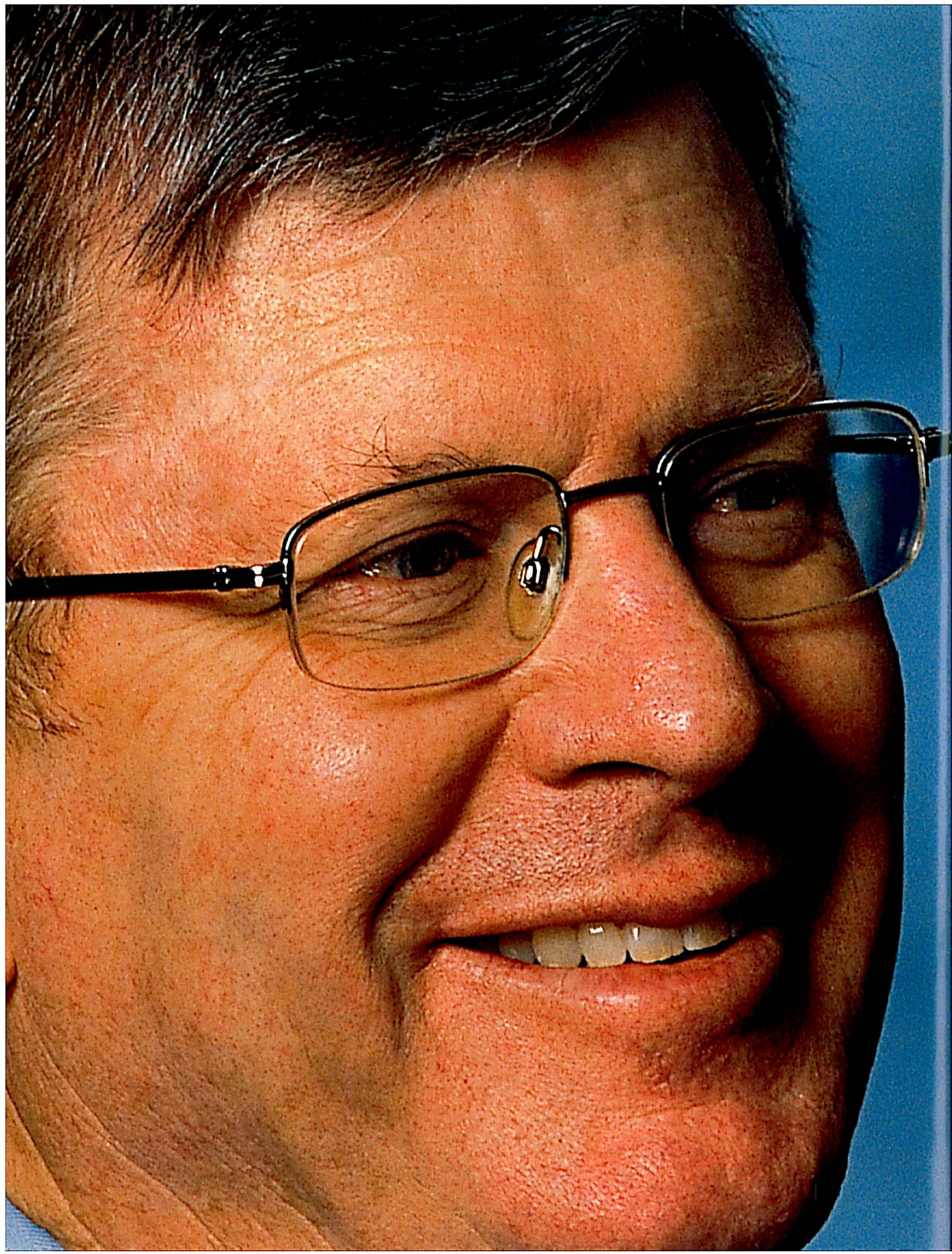
Played 77 games for South Melbourne from 1964 to 1969, kicked 97 goals. All-Australian player in 1966. South Melbourne president from 1978 to 1980. Appointed Australia Post managing director in August 1993, having been the corporation's chief manager (national operations) since 1990. Previously deputy general manager for TNT Australia Ltd. Fellow of the Chartered Institute of Transport, member of the Committee for Melbourne, the Business Council of Australia, the Australian Institute of Company Directors. Director of the Road Transport Forum, Consolidated Paper Industries, director and alternate chairman of Australian Air Express and serves on the Australian Coalition of Service Industries. Appointed to AFL Commission 2000.



WAYNE JACKSON

Chief Executive Officer

Former member of the South Australian National Football League Commission, 1990-1995. Life member of Woodville-West Torrens Football Club. Played 160 games (seniors and seconds) with West Torrens. Also coached the club at senior and reserves level and was chairman of West Torrens, 1975-1979. Managing Director of The South Australian Brewing Company, 1993-1996. General Manager, Thomas Hardy & Sons 1977-1981, Managing Director Thomas Hardy & Sons 1981-1992. At that time, Thomas Hardy & Sons merged with Berri Renmano Ltd to become BRL Hardy Limited and the company was publicly floated. Appointed Business Development Director of BRL Hardy and to the main board in 1992. Bachelor of Economics (Adelaide University). Fellow of Australian Society of Certified Practising Accountants. Appointed to AFL Commission 1995. Appointed Chief Executive Officer, October 1996.



AFL SETS PRIORITIES FOR GROWTH

The AFL's Strategic Plan sets key objectives for the next three years – to support the 16-team AFL competition and to grow grassroots football

In 2001, the AFL Commission released its three-year strategic plan to ensure future growth and prosperity of the game. This plan will be a "living" document, updated annually.

The Strategic Plan outlined the four key priorities which will drive the AFL into the future. It is our role to ensure the following:

1. The national competition is managed in such a way to ensure it remains the most successful elite sports competition in Australia. In 2001, a year after the Olympics, attendances at AFL games grew 3.2 per cent to 6.8 million, the second highest attendance total in the history of the game. It should be noted that attendances at AFL matches account for just under 50 per cent of those who attend Australian Football at all levels of the game.
2. The future of the game depends on development at all levels. The AFL continues to invest heavily in game development, in well-managed programs at all levels of football.
3. Concurrent with the above strategies, the AFL brand represents excellence and certainty, and relates strongly to the history of the game and its culture. It is fundamental to this plank of our strategy that the AFL recognises its role as a corporate citizen and continues to lead the way in areas of racial harmony and community relations.
4. All these strategies can be fulfilled if we continue to enhance the financial standing of the game, maximising the economic benefits for clubs, players and the football fraternity, without imposing financial stresses on the supporters who contribute so much to the AFL game at all levels.

The conditional sale of Waverley Park (details on page 28) for \$110 million gives the AFL competition security and allows us to continue to invest strategically in the development of the AFL game.

Season 2001 was a year of real achievement in each of these areas. There was an increase in attendances and ratings in all areas of the media were strong; new corporate partnerships were confirmed in a year of great economic challenge typical of a post-Olympic year; and the AFL was able to

conclude a conditional sale of Waverley Park, a sale which will provide some underpinning to our clubs, to the AFL competition as a whole and to our on-going strategy of investment in development of the AFL game nationally.

All this achievement does not mean the AFL is not aware that vigilance is required to ensure our number one position in Australian sport.

We are facing a number of major challenges including increasing competition from other codes, sports and entertainment choices; financial pressure on some AFL clubs and the growth of the game throughout Australia and its dependence on the generosity of volunteers in a time-poor world. One of the major issues confronting Australian sport in general, and Australian Football in particular, is the question of insurance/indemnity and the totally unaffordable premiums with which sporting bodies are being confronted.

The main concern is the impact on clubs run by volunteers. In addition, we have evidence that coaches, umpires and officials are increasingly wary of possible litigation against them.

The AFL is pro-active on this issue and has discussed the matter with the Federal Government, the Australian Sports Commission and various State Governments and we hope the issue is addressed with some urgency.

From 2002, the redevelopment of the MCG will mean that ground will be below capacity, particularly during the AFL finals. We are already planning for the potential disruption to the 2006 season caused by the Commonwealth Games.

The implementation of our new broadcasting agreement from 2002, with Nine, Ten and Foxtel, and the new media agreement with Telstra, will also need management and purpose from within the AFL.

While we face these challenges, AFL policy developed over the last decade has ensured the AFL is in a strong financial and organisational position to address these issues.

During this period, the key measures by which the AFL Commission judges the broader health of our game have been very positive.



Listed below are some of the fundamentals underpinning our game. These are impressive statistics, and should not be understated. Consider that Australian Football is:

- Australia's premier spectator sport attracting attendances of more than 13.9 million people per year at all levels of the game. Attendances at AFL matches represent almost 50 per cent of this total.
- Supported by 736,000 non-playing members with 69 per cent of that total being members of AFL clubs.
- Supported by 48,000 volunteers who contribute some 5.7 million working hours to the game annually, worth \$69 million in labour effort.
- An industry sector employing 5400 people directly, excluding players, coaches and umpires and generating more than \$2 billion in economic activity for the Australian economy each year. This includes all levels of Australian Football, not only the AFL.
- The AFL draws the largest television and radio audience and press coverage of any annual sporting competition in Australia.

Equalisation fundamental

One of the ongoing strategies which has underpinned the AFL Commission's management of the AFL competition for the benefit of our 16 clubs and supporters of the game is the AFL's equalisation policy.

Equalisation is designed to achieve competitiveness on the field and uncertainty of outcomes. Obviously, intense competition between teams ensures maximum public interest. The AFL Commission's strategic ideal is that any team can beat any other on any given day/night.

The equalisation policy has two distinct areas:

FINANCIAL: equalising among the 16 clubs the distribution of key revenue streams – broadcasting, corporate sponsorship and finals. Some key revenue streams which are seen as the domain of the clubs largely remain unequalised – for example, gate receipts where the home team keeps the proceeds from each premiership season game.

COMPETITION: creating an environment in which all clubs can compete on the field regardless of their relative financial strength through the maintenance of appropriate rules including the draft and salary cap.

The broad overview of 2001 follows. Greater detail of the 2001 season is contained in the departmental reports and financial statements in this report.

Financial summary

A key AFL strategic priority is to enhance the financial standing of the game. The AFL aims to maximise the economic benefits of Australian Football to member clubs, players, supporters, the football fraternity and the community at large.

A financially strong AFL is vital so it can cope with downturns and

put it in the best possible position to provide support for projects and clubs and state bodies in need.

In 2001, the AFL's financial policies reflected this goal. Its total revenue was \$116.6 million, an increase of \$5.8 million on 2000, and its operating surplus was \$66.5, a \$4.4 million increase on 2000.

AFL payments to clubs included an extra \$437,000 per club to fund the increase in Total Player Payments as part of the Collective Bargaining Agreement with the AFL Players' Association. In addition, the AFL Players' Association received \$5 million to help fund such activities as its retirement fund and player welfare and education programs.

Our supporters were also rewarded, with minimal increases in general admission prices for 2002. The adult admission price will rise by less than 1.6 per cent and the junior admission price will remain unchanged at \$2.20.

The junior admission price was set at \$2 five years ago and the only adjustment has been for the introduction of the GST.

The football fraternity and community at large benefits from the AFL's support of improvements at the Gabba, Subiaco, Stadium Australia and Football Park. The AFL will also support the redevelopment of the MCG.

In addition to the intended distribution of Waverley Park sale proceeds, which is addressed elsewhere in my report, other AFL initiatives to support AFL clubs in 2001 included:

- continued financial support to Hawthorn and St Kilda to assist in their relocation from Waverley Park.
- distribution of signage revenue to clubs which played home games at Colonial Stadium.
- the decision to pass on 100 per cent of the Telstra internet revenue, which will be received in 2002 and in future years, to participating clubs.

The extra support for our AFL clubs and players, ahead of the significant increase in TV broadcasting revenue, was the key driver behind our financial result in 2001 – a deficit of \$16.8 million. The AFL provided clubs with increased distributions to meet commitments to players. The AFL believes that players in 2000 and 2001 were entitled to some reward from the increased broadcasting revenue flowing from season 2002.

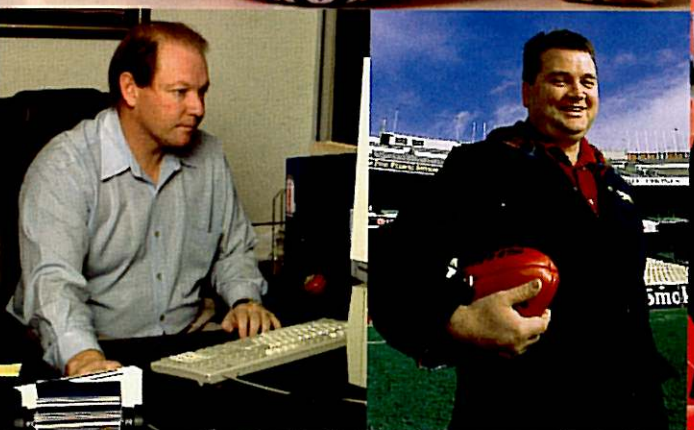
AFL Financial Statistics: Two-year comparison

| | 2001 \$(mil) | 2000 \$(mil) | Variance \$(mil) | Variance % |
|-------------------------|-----------------|-----------------|---------------------|---------------|
| Revenue | 116.562 | 110.736 | 5.826 | 5.3% |
| Operating expenses | 50.031 | 48.578 | 1.453 | 3.0% |
| Operating surplus | 66.531 | 62.158 | 4.373 | 7.0% |
| Payments to clubs | 61.783 | 50.230 | 11.553 | 23.0% |
| Payments to AFLPA | 5.000 | 4.000 | 1.000 | 25.0% |
| Game development grants | 16.510 | 15.156 | 1.354 | 8.9% |
| Net surplus/(deficit) | (16.762) | (7.228) | (9.534) | -131.9% |

SPECTACULAR: Collingwood's Chris Tarrant took one of the marks of the year against Melbourne in round 11, 2001.







Broadcasting & new media

In last year's annual report, we outlined the negotiations which resulted in News Limited, the Nine and Ten networks and Foxtel, securing the free-to-air and pay-television rights to the AFL for seasons 2002 to 2006.

In January 2001, the Seven Network advised the AFL that it had decided not to match the offer for the AFL's free-to-air television rights.

The 2001 season, therefore, brought to an end 45 years of AFL telecasts on Seven. The network made an invaluable contribution to our game and played a significant role in making Australian Football the most popular national sporting competition. We are most appreciative of our long partnership with the Seven Network.

While that chapter closed, our administration spent much time working with our new partners in preparation for season 2002.

The combination of Network Ten, the Nine Network, Foxtel and the News Limited group of newspapers will give the AFL competition and our clubs significantly increased national exposure, including, for the first time, regular prime-time telecasts in New South Wales and Queensland on Saturday nights on Network Ten.

The AFL's extensive media arrangements were concluded in 2001 when agreement was reached with Telstra to become the AFL's exclusive online and wireless technologies partner for the next five years.

This partnership will provide supporters with a wide range of current and historical information as well as vision and audio. Our clubs will have high quality websites and use the internet to communicate with members and supporters.

NEW TEAMS: The AFL's new media partners include (from the top) the commentary teams from Channels Ten and Nine, Channel Nine executive producer Cos Cardone, afl.com.au managing editor Ashley Browne, Ten's executive producer David Barham, Foxtel's director of AFL operations Rick McKenna and the Foxtel commentary team.



Attendances

Total attendances in the 2001 premiership season, finals series and pre-season competition reached 6,845,869 – the second highest total in 105 seasons.

Premiership season matches were played in Launceston and in Canberra in support of strategies adopted by Hawthorn and the Kangaroos respectively.

Attracting people to the game is fundamental to its health and the support we receive from the sporting public separates Australian Football from every other sport in Australia.

| Total 2001 attendances | | | | |
|------------------------|------------------|------------------|----------------|-------------|
| | 2001 | 2000 | Variance | Variance % |
| Ansett Cup | 398,309 | 325,736 | 72,573 | 22.3% |
| Home & Away | 5,921,117 | 5,740,811 | 180,306 | 3.1% |
| Finals Series | 526,443 | 566,562 | (40,119) | -7.1% |
| TOTAL | 6,845,869 | 6,633,109 | 212,760 | 3.2% |

Corporate partners

Our commercial operations department developed a new corporate partners strategy which led to several of Australia's leading companies joining forces with the AFL.

- Carlton and United Breweries, a long-term sponsor of the AFL and of many of our clubs, agreed to become our premier partner from 2001-2004.
- Coca-Cola, our naming rights sponsor, decided not to continue in that role but will continue as our official soft drink supplier.
- Volkswagen joined the AFL as the match-day ball sponsor.
- Simpson became the national sponsor of AFL Auskick.

It is a strong endorsement of the strength of our game that such companies, in addition to our broadcast partners and new media partner Telstra, have agreed to long-term partnerships with the AFL.

The collapse of Ansett Australia was felt by the AFL in part, economically, but also because it had been our official airline since 1990 and the sponsor of our pre-season competition and talented player pathway.

2001 fixture

The 2001 fixture was widely endorsed by clubs, the media and, ultimately, by that most important group, the supporters who attend our games.

We believe it was more than coincidence that we attracted the second highest attendances on record in 2001 by creating a fixture based on consistent starting times in each market and which concentrated

on Friday nights, Saturdays, Saturday nights, Sundays and key public holidays.

The 2002 fixture followed the same guidelines and was also strongly endorsed when released.

MCG

In 2001, the AFL Commission reached an in-principle agreement with the Melbourne Cricket Ground Trust and Melbourne Cricket Club to contribute an additional \$5 million per year – indexed for the next 32 years – for the redevelopment of the MCG.

This represents a significant contribution by football and its supporters to the redevelopment of the MCG.

The work, scheduled to be completed by 2006, includes the demolition and replacement of the Ponsford and Olympic Stands and will deliver first-class facilities for MCG tenant clubs and supporters.

Football's contribution to the redevelopment will be funded, in part, by a user-pays levy of \$1 on all adults attending AFL premiership season home and away matches at the MCG, \$5 for finals matches and \$8 for the Grand Final. The balance will come from consolidated revenue.

Between 70 and 80 per cent of the total revenue generated by the operation of the MCG is directly attributable to AFL games.

Stadium Australia

The scheduling of matches at Stadium Australia in Sydney was delayed for 12 months after we were advised that the reconfiguration of the venue would not be completed until March 2002.

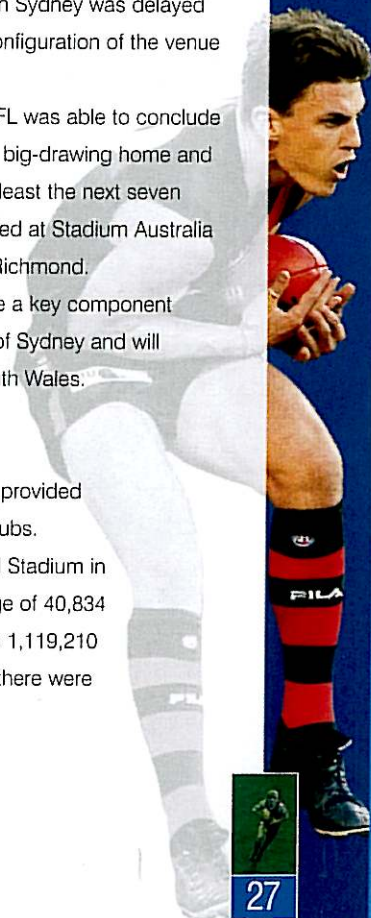
With the support of the Sydney Swans, the AFL was able to conclude an agreement with Stadium Australia that will see big-drawing home and away season matches played at the venue for at least the next seven years. In 2002, three matches have been scheduled at Stadium Australia between the Swans and Essendon, Carlton and Richmond.

We believe games at Stadium Australia will be a key component in exposing our game to the greater west region of Sydney and will support the game's continued growth in New South Wales.

Colonial Stadium

Colonial Stadium's improved operations last year provided a quality football experience for supporters and clubs.

For the 30 biggest-drawing games at Colonial Stadium in 2001, ticket sales reached 1,225,020 or an average of 40,834 per game. Actual attendance at these games was 1,119,210 or an average of 37,304 per game, which means there were 105,810 'no shows'.





Financial assistance

Providing financial security and stability for all clubs was a key objective of a financial assistance package developed by the AFL Commission and unanimously endorsed by all clubs at a meeting in Melbourne in November 2001.

The measures reinforced the AFL Commission's support for our 16-team competition, but the support is not open-ended and will require diligent financial management from the AFL and clubs, particularly those receiving special financial assistance.

In support of our clubs, the AFL Commission also decided to:

- fully fund the increase in Total Player Payments.
- allocate revenue from the new media deal to clubs while bearing the expenses.
- allocate a substantial part of the proceeds from the sale of Waverley Park to clubs.
- establish a short-term special assistance fund to assist clubs in difficulty.
- lead a substantial cost reduction program for the industry.
- set players' income and welfare benefits at reasonable levels.

The AFL must be concerned about grassroots football and aims to increase investment in grassroots football development.

The AFL is making a substantial investment in stadia development for the benefit of AFL clubs and supporters. We must also ensure that the game remains affordable and that members and supporters receive value for money.

The AFL must establish a sound balance sheet as a broader financial protection for the game.

When developing our financial strategy, the AFL Commission believed it was appropriate that very clear and rigorous conditions be applied to clubs seeking special financial assistance.

The conditions, we hope, will be regarded by the broader community as firm but fair and reinforce that the AFL is doing all it reasonably can to support clubs.

The following steps were unanimously endorsed by our clubs for those seeking financial assistance:

- re-direction of current year's AFL distribution (of up to 12 months cumulative).
- secure access to a \$2 million advance from the proceeds of the sale of Waverley Park, via an AFL guarantee.

Further special assistance will be considered by the AFL Commission when the above steps do not allow a club to meet its debts and after all other avenues of assistance have been exhausted.

Sale of Waverley Park



MURAL: The mural depicting the heroes of the AFL Game, will remain as part of the Waverley Park re-development.

AFTER a three-year planning and tendering period, conditional agreement was reached for the sale of Waverley Park to the Mirvac Group which will see the property become a \$1 billion redevelopment project incorporating new administration and training facilities for the Hawthorn Football Club.

The sale of the 80 hectare Waverley Park site for \$110 million was negotiated by Arthur Andersen Real Estate Services, which was retained by the AFL in 1998 to assess the future of Waverley Park and which ultimately recommended the Mirvac Group as the preferred tenderer.

Waverley Park will be the largest residential project undertaken by a single developer in Australia and will include a development that will eventually house more than 3500 people in up to 1400 new dwellings.

This outcome was achieved after working with the Victorian Government, Heritage

Victoria and the City of Monash.

The winning bid met the guidelines established by Heritage Victoria and will involve retaining at least four bays of the members' stand, the oval, all significant trees, the lake and the VFL mural.

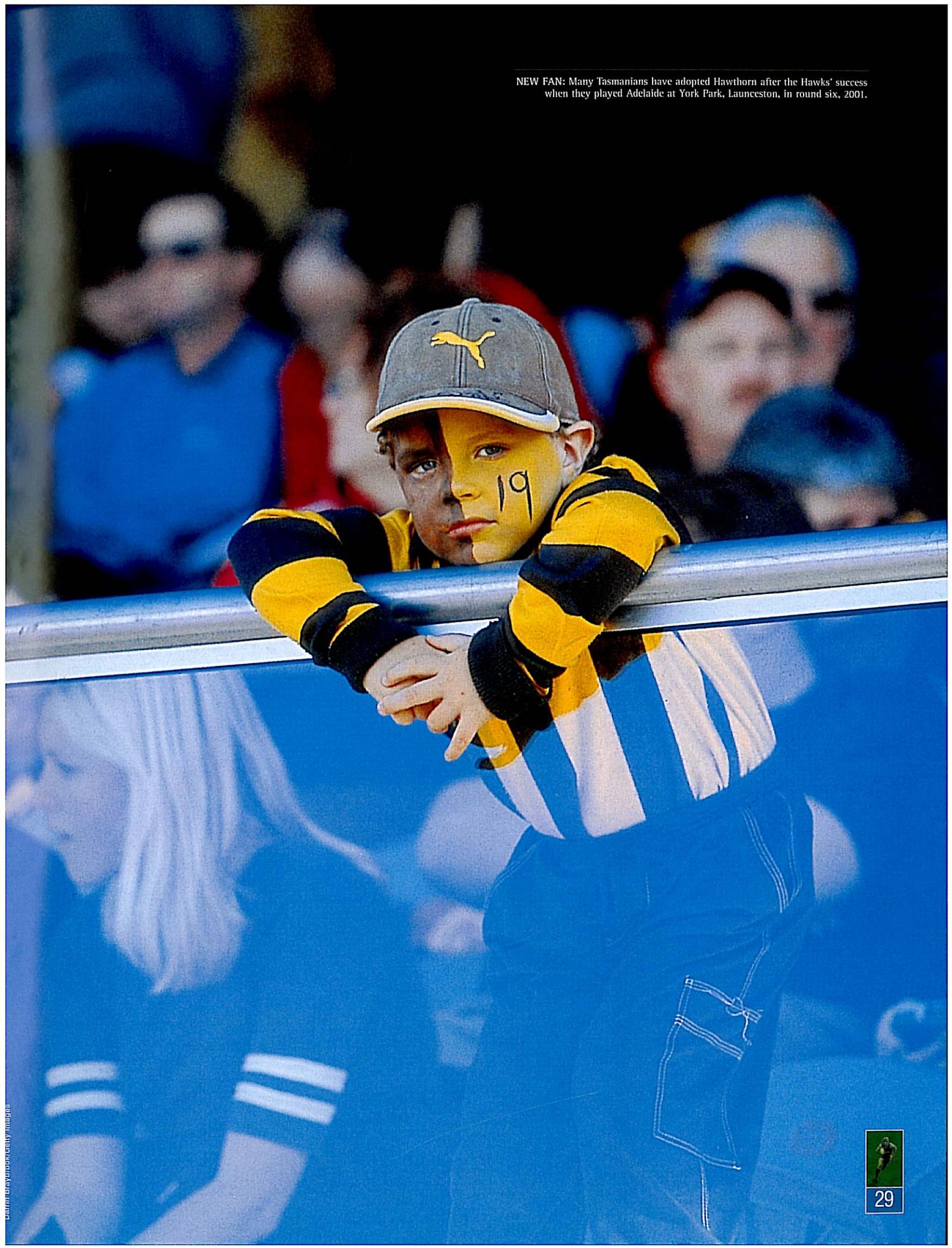
The sale of Waverley Park gives our national competition security and stability and allows the AFL to continue to invest in grassroots football and the long-term future of the game.

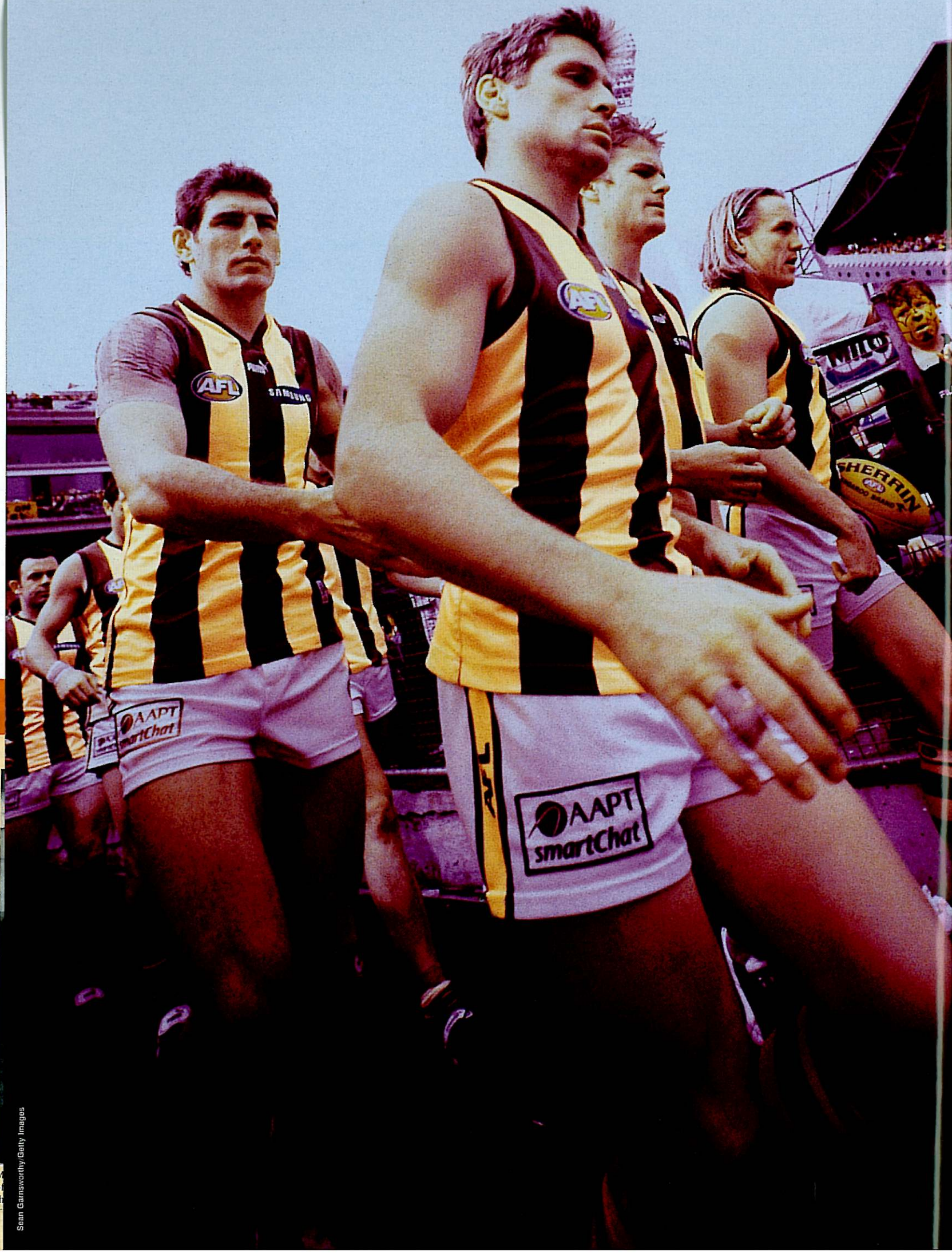
As part of a strategic financial package unanimously endorsed by all 16 AFL clubs, each club will have access to a \$2 million advance from the proceeds of the Waverley Park sale, via an AFL guarantee.

Providing financial assistance to our clubs is in keeping with the AFL Commission's strategy to do all it can to sustain a 16-team competition.

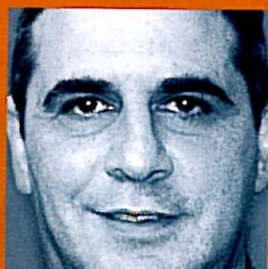
Waverley Park was sold in the best long-term interests of the clubs and the national development of the game.

NEW FAN: Many Tasmanians have adopted Hawthorn after the Hawks' success when they played Adelaide at York Park, Launceston, in round six, 2001.





FOOTBALL OPERATIONS

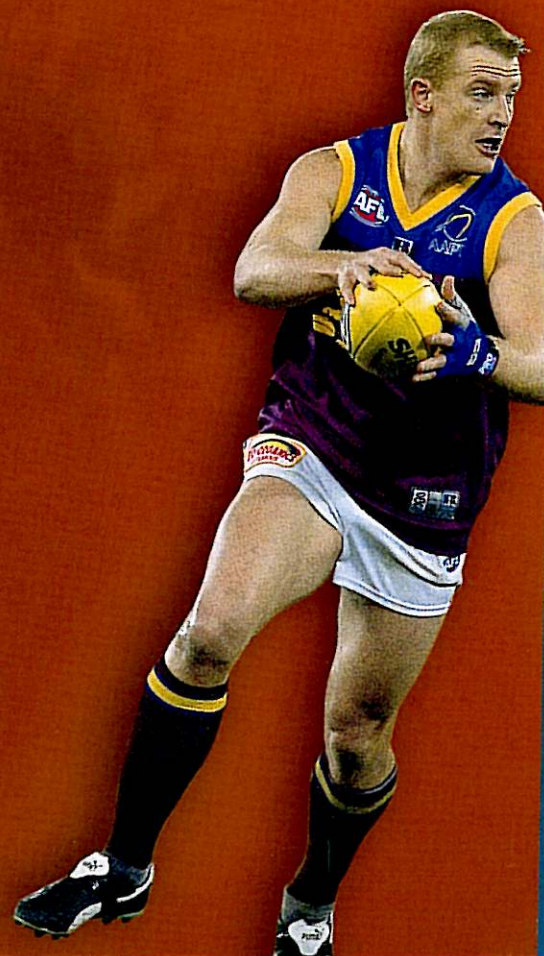


ANDREW DEMETRIOU

THE day-to-day management of the national competition, from the scheduling of matches through to ground management, rules and regulations, total player payments, umpiring, the Tribunal and research and development, is the responsibility of the Football Operations department, led by General Manager Andrew Demetriou.

DETERMINED: Shane Crawford leads out Hawthorn in the 2001 preliminary final against Essendon.

Right: 2001 premiership captain Michael Voss



BIG ATTENDANCES BUILD STRONG YEAR

The bond between the AFL and its supporters is the single most important feature of Australian Football and the key to its continued strength as a national code

Supporters' passion for their club has seen the AFL grow at record levels since the formation of the national competition in 1987. And season 2001 was the second-highest drawing year in AFL history with 6,845,869 fans attending the Ansett Cup, premiership season matches, and finals.

This was an increase of 3.2 per cent (212,760 fans) on season 2000 – and exceeded an internal target of a two per cent increase – and was just short of the attendance record of 6,990,972 set in 1998.

Football Operations is responsible for the day-to-day management of the national competition and works hard to ensure that all major decisions take into account supporters' views.

The department has a strong and experienced management team in Rod Austin (Administration), Jill Lindsay (Stadium Operations) and Jeff Gieschen (Umpiring) and welcomed Ken Wood (Investigations) to replace Michael Easy, who resigned in September to become chief executive officer of the Kangaroos.

Easy elevated the investigation role and the AFL thanks him for his service, as it does Jo Tregear, who resigned after more than 16 years with the AFL to also take up a position with the Kangaroos.

The football fixture is a central plank in the AFL's strong performance. It is based on the guiding principle that all clubs, no matter what their position on the ladder, must have equal opportunities, while maximising attendances and television audiences.

AFL matches were again played at Manuka Oval in Canberra in 2001 and Hawthorn played a home game at York Park in Launceston for the first time and attracted a capacity crowd of 17,460.

Ansett Cup matches were played in the non-traditional venues of Darwin, Wellington and Cairns and official practice matches were played in major regional centres in Victoria, South Australia, Tasmania and Western Australia.

The AFL fixture

After a major review, the fixture process was overhauled for 2001 to take into account supporter, club, player and AFL game development needs.

It is developed according to six guiding principles:

- ensure equal opportunities for all clubs.
- schedule local derbies and matches between big-drawing clubs to maximise attendances.
- consider clubs' specific needs and requests.
- program all teams in all markets at least once per season to develop the game nationally.
- provide minimum six-day breaks for players.
- maximise television audiences without affecting the gate.



Retrospective awards

In 2001, the AFL moved to honour one of the outstanding performers of the football season – the premiership coach – with the creation of the Jock McHale Medal. It also decided to award retrospective John Coleman Medals to the leading goalkickers before 1981.

The McHale Medal is named in honour of the legendary Collingwood mentor who guided his club in an astounding 714 matches.

McHale Medals have been awarded to each premiership coach going back to 1950 – the year after McHale retired after a record 38 seasons – while all premiership coaches from 1906 to 1949 have been awarded the Premiership Coach's Medal.

The Coleman Medal was struck in 1981, but has now been awarded to all leading goalkickers from 1955 (the year after Coleman retired) to 1980. Leading goalkickers from 1897 to 1954 received the Leading Goalkicker Medal.



PUMPED: Melbourne forward Russell Robertson was again one of the bright lights for the Demons in 2001.



Scout24.com/stockphoto/century images

Stadia

Increases in AFL attendances in the past decade can, in part, be attributed to improvements in facilities at venues. Average crowd figures at both the MCG and Colonial Stadium increased in 2001 compared with 2000, reflecting their status as world-class stadia.

The AFL has agreed in principle to commit significant funding for the redevelopment of the MCG, which will take the ground's capacity back to 100,000-plus. The work will affect capacity for at least the next three AFL Grand Finals, but will result in superb facilities for players and supporters.

A new stand at the northern end of Football Park in Adelaide was opened early in 2001, taking capacity to about 54,000, and upgrades at the Gabba have yielded record Brisbane crowds. The AFL financially supported both developments.

Player rules (rookies/veterans)

Rookie list players have an extra opportunity to play senior football in 2002 after a change to the player rules allowing clubs to nominate up to two rookie list players to play during the premiership season and finals series.

Under the new rule, any club that has a full list of players, but no veteran list players, may nominate two rookies to play AFL football, provided their inclusion does not breach Total Player Payment rules.

Previously, rookie list players were eligible to play only in the pre-season competition and could not play beyond that unless they were upgraded as a replacement for a player placed on the long-term injury list.

The change was approved in the lead-up to the December 2001 Pre-Season Draft as a one-year alteration. It covered the anomaly under the previous system whereby a club with veterans had access to a greater number of players during the season than a club without a veteran list player.

From 2003, veteran list players will be retained inside a club's main list of players, ensuring all 16 clubs have access to the same number of players.

AFL research board

The AFL research board delivered its findings on four scientific studies during 2001, with each aimed to improve the knowledge base of AFL football. The AFL is the only Australian sporting body which funds its own research and delivers the findings to stakeholders at all levels of the game.

Research projects must be backed by an AFL club to ensure their relevance to the elite game. Results delivered in 2001 covered player movement and the increasing speed of the game, the role of training

methods in relation to game preparation, goalkicking accuracy and the rate and nature of injuries in junior football.

The research board judges applications on their applied and practical value to the game. Areas to be researched in 2002 are: Post-match warm-downs; Reading the play: can it be coached? ACL injuries: can better preventative training measures limit their occurrence? Hamstring injury treatment.

Members of the AFL research board are David Hatt (chairman), Rod Austin (AFL), Neil Craig (Adelaide Football Club), Bruce Elliott (University of WA), Frank Pyke (VIS), Peter Harcourt (AFL Medical Commissioner), Steve Laussen (Sydney Football Club), Paul Lew (Essendon Football Club), David Parkin (Hawthorn Football Club) and Hugh Seward (AFL Medical Officers' Association).

Draft review working party

The AFL believes it is important to regularly examine key areas of the competition to ensure they reflect the changing nature of the game. As a result, a special committee was established in February 2001 to review comprehensively all aspects of the AFL's drafts with submissions sought from clubs, players, state leagues and other interested bodies.

The drafting system, along with the Total Player Payments policy, is a major platform of the AFL Commission's equalisation philosophy. Key tenets examined included player mobility between clubs, equalisation boundaries, complexity of rules, list sizes and talent availability.

After four months' work, the committee reported to the AFL Commission – which determined the changes to be implemented – just before the finals series.

Changes introduced immediately included a switch in draft dates to avoid a clash with year 12 exams, a guarantee that all players under the age of 18 be offered minimum two-year contracts, the introduction of a father/son rule for West Australian and South Australian-based clubs and greater freedom for clubs in trading draft selections.

In 2002, new rules will also take effect in relation to the developing markets of Queensland and New South Wales.

The review committee comprised Andrew Demetriou (AFL, chairman), Rod Austin (AFL), Kevin Sheehan (AFL), Colin Carter (AFL Commission), Jeff Browne (Browne and Co.), John Reid (Adelaide Football Club), Andrew Ireland (Brisbane Lions Football Club), Shane O'Sullivan (Carlton Football Club), Greg Swann (Collingwood Football Club), Matthew Drain (Essendon Football Club), Neale Daniher (Melbourne Football Club), Colin Seery (Sydney Football Club), Trevor Woodhouse (West Coast Eagles Football Club), Ken Gannon (Football Victoria), Jeff Ovens (WAFC) and Rob Kerr (AFLPA).





Laws of the game

The AFL Laws Committee met during the 2001 season to discuss a wide range of submissions from clubs, state bodies and from within the AFL.

The group agreed that two rule changes would be enacted in 2002 – the minimum length of a kick would be increased from 10 metres to 15 metres and a player bringing the ball into play after a behind is scored would be allowed to kick to himself inside the square. These changes were endorsed by the AFL Commission.

Other changes were to be trialled in the 2002 Wizard Home Loans Cup. These include umpires tossing up the ball other than in the centre square, the size and use of the interchange bench, the size of the centre circle and the way the ruckmen operate.

Early in the 2001 season, there was considerable criticism over the use of flooding, but the tactic was used less frequently as the season progressed.

The AFL Laws Committee comprised Andrew Demetriou (chairman), Kevin Bartlett, Ed Biggs (non-voting), Rob Kerr, Robert Flower, John Halbert, Michael Mansfield, Ross Smith and Rowan Sawers.

AFL injury survey

The AFL released its ninth comprehensive injury study in 2001, focusing in detail on every injury which caused AFL players to miss matches in 2000.

Commissioned by the AFL, the report, by Dr John Orchard and Dr Hugh Seward, of the AFL Medical Officers' Association, revealed a reduction in injuries in each of the past four seasons, particularly in the categories of groin and anterior cruciate ligament injuries. The hamstring strain remains the most prevalent injury.

The AFL is a world-leader in understanding risk factors and this information is used in formulating prevention tactics.

Racial and Religious Vilification Code

The AFL has been a clear leader in Australian sport in its determination to eradicate all forms of racism from the game. This was recognised in 2001 at the National Corporate Anti-Racism Awards.

The AFL won the large business category for "developing and implementing a range of programs which advance a culture of racial diversity" and, with the Replay



PARTNERS: Andrew Demetriou is presented the award by Queensland Premier Peter Beattie.

Group, was the overall winner of the National Anti-Racism Award.

The judging panel comprised Sir Zelman Cowen and former Prime Ministers Malcolm Fraser and Bob Hawke.

The AFL has a policy of education to battle racist attitudes and, as with the Anti-Drug Code, all players attend annual seminars about the Racial and Religious Vilification Code.

Confidentiality in dealing with complaints has been a key plank in the process. The Melbourne Football Club was fined \$10,000 in 2001 for failing to prevent public comment and for disseminating information concerning a complaint.

Medical-legal working party

The AFL established a medical-legal working party to examine all areas of potential risk for the game as part of its risk management strategy.

The AFL already acts to ensure the safety of players and supporters through such avenues as minimum ground standards, heat policies, injury research and dedicated scientific research, but the working party aims to examine all potential areas of litigation.

The medical-legal working party comprises Andrew Demetriou (AFL, chairman), Ian Anderson (AFL), Rod Austin (AFL), Mark Brayshaw (Richmond Football Club), Dominic Cato (Browne and Co.), Bruce Connor (AFL Physiotherapists' Association), Andrew Dillon (AFL), Dr Peter Harcourt (AFL Medical Commissioner), Rob Kerr (AFLPA), Stephen Newport (Melbourne Football Club), John Reid (Adelaide Football Club), Dr Hugh Seward (AFL Medical Officers' Association), Clay McKinnon (Marsh Insurance) and Ken Wood (AFL).

Professor Ken Hardy finished his term as AFL Medical Commissioner in 2001 after 14 years of outstanding service.

He played a leading role in the development of many of the AFL's medical policies, which placed the game at the forefront in Australian sport in regard to player welfare.

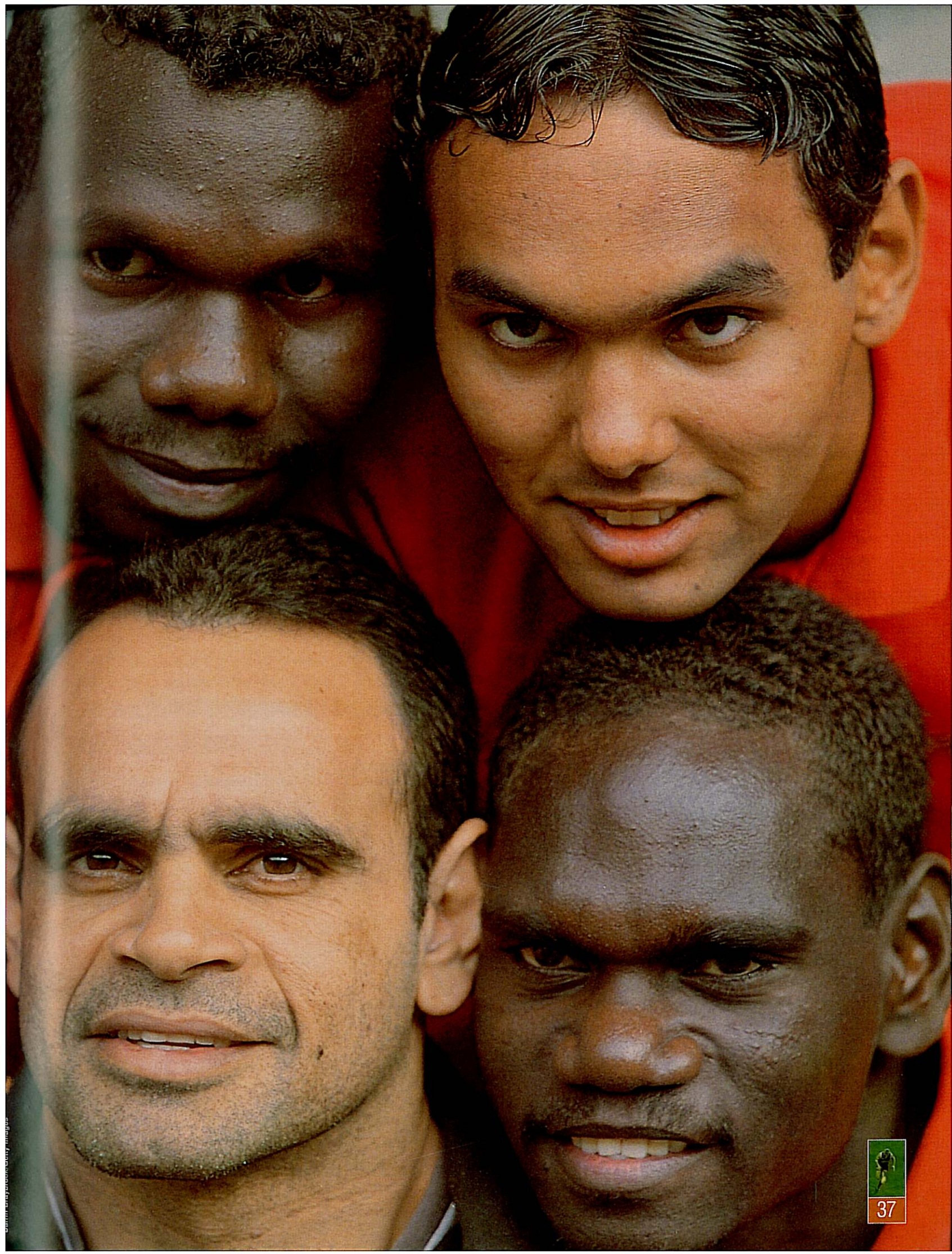
These included the development of the blood rule and infectious diseases policy, the Anti-Doping Code, heat policies and long-term injury research. He also acted as a sounding board for club medical officers.

Anti-Doping Code

The AFL's goal to keep the competition drug free was achieved in 2001, with no positive tests returned.

All players undergo annual drug education lectures from the Australian Sports Drug Agency representatives and are subject to random testing both in and out of season.

SPREADING THE WORD: Michael Long (bottom left) has been a great ambassador for the indigenous community. The former Essendon star, who retired at the end of 2001, is shown here with Northern Territory under 18 players Simon Quall (top left), Xavier Clarke (top right) and Edward Darcy.



Bumper year for AFL attendances

Total home and away premierships season attendances in 2001 were the second highest on record with almost six million fans flocking to watch AFL football. The final figure of 5,921,117 for the season has been bettered only by the 1998 season which saw 6,119,164 fans attending.

There were three rounds that produced crowds of more than 300,000 – rounds seven, 11 and 18. The round 18 total of 334,237 was the highest for the season and broke the all-time round 18 attendance figure.

During the home and away season, nine games attracted 70,000 fans or more, the biggest being the traditional Anzac Day clash between Essendon and Collingwood at the MCG which drew 83,905 fans.

Other well-attended games during 2001 were: Collingwood v Richmond (78,638, round four), Richmond v Essendon (77,576, round seven), Essendon v Richmond (77,028, round 22), Essendon v Carlton (75,873, round 18), Collingwood v Carlton (73,572, round six), Richmond v Carlton (71,767, round 11), Collingwood v Essendon (71,518, round 20), Carlton v Collingwood (70,051, round 21).

Those figures confirmed the MCG as the AFL's biggest drawing venue with home and away attendances averaging 47,425 per game compared with 46,141 per game in 2000.

Football Park was the next biggest drawing venue as both tenants, Port Adelaide and Adelaide, pushed into the finals. The average crowd of 35,208 per game in 2001 was well up on the 2000 average of 32,424.

The acceptance of Colonial Stadium was again underlined when the 2001 home and away average crowd of 31,938 is compared with the 2000 average of 30,524. The SCG also recorded a significant rise in average attendance – 27,159 per game in 2001, compared with 22,390 per game in 2000.

Essendon, Collingwood and Richmond were the biggest-drawing clubs in 2001. The Bombers averaged 51,790 fans per home game in 2001 (up from 48,353 in 2000), the Magpies averaged 49,977 (up from 45,012 in 2000) and the Tigers averaged 46,129 (up from 44,012 in 2000).

The pre-season Ansett Cup competition was also well received with 398,309 fans attending all games including finals. This was up 72,573 (22.3 per cent) on the 2000 figure.

The 2001 finals series, however, saw a drop in total attendance compared with 2000. The finals series drew 526,443 fans, a decrease of 40,119 (7.1 per cent) on 2000. This fall can be attributed to the fact that only five finals were played at the MCG in 2001, compared with seven in 2000.

Attendances by venue 2001

| Venue | 2001 | | | 2000 | | |
|------------------|--------------|------------------|---------------|--------------|------------------|---------------|
| | No. of Games | Attendance | Average | No. of Games | Attendance | Average |
| Colonial Stadium | 43 | 1,373,371 | 31,939 | 48 | 1,465,172 | 30,524 |
| Football Park | 22 | 774,580 | 35,208 | 22 | 713,320 | 32,424 |
| Gabba | 12 | 327,754 | 27,313 | 11 | 301,470 | 27,406 |
| Manuka Oval | 3 | 34,105 | 11,368 | 0 | 0 | 0 |
| MCG | 44 | 2,086,712 | 47,425 | 42 | 1,937,921 | 46,141 |
| Optus Oval | 9 | 210,750 | 23,417 | 9 | 221,902 | 24,656 |
| SCG | 13 | 353,069 | 27,159 | 15 | 335,845 | 22,390 |
| Shell Stadium | 7 | 150,114 | 21,445 | 7 | 154,753 | 22,108 |
| Subiaco | 22 | 593,202 | 26,964 | 16 | 485,208 | 30,326 |
| York Park | 1 | 17,460 | 17,460 | 0 | 0 | 0 |
| WACA | 0 | 0 | 0 | 6 | 125,220 | 20,870 |
| TOTAL | 176 | 5,921,117 | 33,643 | 176 | 5,740,811 | 32,618 |

Total 2001 attendances

| | 2001 | 2000 | Variance | Variance % |
|---------------|------------------|------------------|----------------|-------------|
| Ansett Cup | 398,309 | 325,736 | 72,573 | 22.3% |
| Home & Away | 5,921,117 | 5,740,811 | 180,306 | 3.1% |
| Finals Series | 526,443 | 566,562 | (40,119) | -7.1% |
| TOTAL | 6,845,869 | 6,633,109 | 212,760 | 3.2% |

2001 home game attendances by club

| Club | 2001 | | 2000 | | Variance % |
|-------------------|------------------|----------------|------------------|----------------|--------------|
| | Attendance | Average | Attendance | Average | |
| ADELAIDE | 435,897 | 39,627 | 423,171 | 38,470 | 3.0% |
| BRISBANE LIONS | 304,014 | 27,638 | 301,470 | 27,406 | 0.8% |
| CARLTON | 343,889 | 31,263 | 378,551 | 34,414 | -9.2% |
| COLLINGWOOD | 549,751 | 49,977 | 495,134 | 45,012 | 11.0% |
| ESSENDON | 569,685 | 51,790 | 531,879 | 48,353 | 7.1% |
| FREMANTLE | 233,842 | 21,258 | 245,928 | 22,357 | -4.9% |
| GEELONG | 298,024 | 27,093 | 305,014 | 27,729 | -2.3% |
| HAWTHORN | 346,490 | 31,499 | 378,592 | 34,417 | -8.5% |
| KANGAROOS | 296,983 | 26,998 | 243,017 | 22,092 | 22.2% |
| MELBOURNE | 374,665 | 34,060 | 413,153 | 37,559 | -9.3% |
| PORT ADELAIDE | 338,683 | 30,789 | 290,149 | 26,377 | 16.7% |
| RICHMOND | 507,416 | 46,129 | 484,132 | 44,012 | 4.8% |
| ST KILDA | 328,355 | 29,850 | 268,638 | 24,422 | 22.2% |
| SYDNEY | 307,800 | 27,982 | 281,190 | 25,563 | 9.5% |
| WEST COAST EAGLES | 359,360 | 32,669 | 364,500 | 33,136 | -1.4% |
| WESTERN BULLDOGS | 326,263 | 29,660 | 336,293 | 30,572 | -3.0% |
| TOTAL | 5,921,117 | 538,283 | 5,740,811 | 521,892 | 58.9% |



AFL attendances 1990-2001

| | 1990 | 1991 | 1992 | 1993 | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 |
|------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| PRE-SEASON | 216,946 | 215,024 | 236,024 | 233,569 | 251,736 | 250,103 | 279,200 | 297,410 | 299,075 | 274,484 | 325,736 | 398,309 |
| HOME & AWAY | 3,587,595 | 3,797,177 | 4,332,917 | 4,185,388 | 4,723,023 | 5,117,774 | 5,216,148 | 5,842,591 | 6,119,164 | 5,771,579 | 5,740,811 | 5,921,117 |
| FINALS | 475,790 | 381,707 | 481,346 | 472,101 | 514,375 | 594,919 | 478,773 | 560,406 | 572,733 | 472,007 | 566,562 | 526,443 |
| TOTAL | 4,280,331 | 4,393,908 | 5,050,287 | 4,891,058 | 5,489,134 | 5,962,796 | 5,974,121 | 6,700,407 | 6,990,972 | 6,518,070 | 6,633,109 | 6,845,869 |
| Annual year on year % change | | 2.65% | 14.94% | -3.15% | 12.23% | 8.63% | 0.19% | 12.16% | 4.34% | -6.76% | 1.76% | 3.21% |

AFL round-by-round attendances 1990-2001

| Round | 1990 | 1991 | 1992 | 1993 | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 |
|-------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| 1 | 171,981 | 143,060 | 128,644 | 193,352 | 205,863 | 240,721 | 290,856 | 329,369 | 268,409 | 321,666 | 269,829 | 283,718 |
| 2 | 188,396 | 172,029 | 176,073 | 181,532 | 234,291 | 164,893 | 259,424 | 231,707 | 265,543 | 306,196 | 234,864 | 250,172 |
| 3 | 199,052 | 151,053 | 138,028 | 231,887 | 173,489 | 238,880 | 172,136 | 296,994 | 264,833 | 256,356 | 273,264 | 283,815 |
| 4 | 126,795 | 152,644 | 201,790 | 168,930 | 209,402 | 291,321 | 204,069 | 316,244 | 285,649 | 267,019 | 252,461 | 270,433 |
| 5 | 206,236 | 152,112 | 206,207 | 153,511 | 238,933 | 207,982 | 254,141 | 278,707 | 295,240 | 277,644 | 247,067 | 288,673 |
| 6 | 171,188 | 193,592 | 240,507 | 265,108 | 106,500 | 233,733 | 206,705 | 242,690 | 253,179 | 293,188 | 262,927 | 269,420 |
| 7 | 161,652 | 149,014 | 159,803 | 136,876 | 183,636 | 237,722 | 305,573 | 237,494 | 283,374 | 248,062 | 315,636 | 300,273 |
| 8 | 156,299 | 138,094 | 202,054 | 206,107 | 177,972 | 235,925 | 276,671 | 266,359 | 288,182 | 241,446 | 226,652 | 209,805 |
| 9 | 149,652 | 153,516 | 165,647 | 173,047 | 228,981 | 244,246 | 227,781 | 254,764 | 235,452 | 259,941 | 283,846 | 268,902 |
| 10 | 154,732 | 191,445 | 178,986 | 173,539 | 227,221 | 239,367 | 270,954 | 249,839 | 255,322 | 235,542 | 250,731 | 250,156 |
| 11 | 193,937 | 127,579 | 173,740 | 219,134 | 153,027 | 277,416 | 193,117 | 296,852 | 332,211 | 256,703 | 242,134 | 322,756 |
| 12 | 165,204 | 171,849 | 234,819 | 171,233 | 229,445 | 227,845 | 245,334 | 220,828 | 259,091 | 234,585 | 224,006 | 256,069 |
| 13 | 162,876 | 156,486 | 136,843 | 176,505 | 167,885 | 185,376 | 225,012 | 261,336 | 241,730 | 252,174 | 263,274 | 236,534 |
| 14 | 136,613 | 171,774 | 207,199 | 179,935 | 175,572 | 281,450 | 268,432 | 282,401 | 265,255 | 283,061 | 271,437 | 279,435 |
| 15 | 182,245 | 159,178 | 166,958 | 227,083 | 195,778 | 223,742 | 203,636 | 267,913 | 280,958 | 241,702 | 235,230 | 254,166 |
| 16 | 124,375 | 169,713 | 155,325 | 216,730 | 179,142 | 213,076 | 227,895 | 265,949 | 294,974 | 279,628 | 250,060 | 287,339 |
| 17 | 161,988 | 118,606 | 162,461 | 206,355 | 236,038 | 203,656 | 223,686 | 252,738 | 245,701 | 284,555 | 273,687 | 241,920 |
| 18 | 143,675 | 155,806 | 165,724 | 207,336 | 212,308 | 229,548 | 174,148 | 275,685 | 277,889 | 215,406 | 199,061 | 334,237 |
| 19 | 172,319 | 162,432 | 232,385 | 137,422 | 158,792 | 241,206 | 156,604 | 276,689 | 268,029 | 237,154 | 243,507 | 272,570 |
| 20 | 167,115 | 155,211 | 154,507 | 177,100 | 188,855 | 220,230 | 233,342 | 245,514 | 262,308 | 264,703 | 294,455 | 252,916 |
| 21 | 115,282 | 162,861 | 179,226 | 191,894 | 206,644 | 214,314 | 313,444 | 223,400 | 327,861 | 241,813 | 305,435 | 269,973 |
| 22 | 175,983 | 163,318 | 174,585 | 190,772 | 213,046 | 265,125 | 283,188 | 269,119 | 367,974 | 273,035 | 321,248 | 237,835 |
| 23 | | 154,794 | 204,780 | | 191,810 | | | | | | | |
| 24 | | 171,011 | 186,634 | | 228,393 | | | | | | | |
| TOTAL | 3,587,595 | 3,797,177 | 4,332,925 | 4,185,388 | 4,723,023 | 5,117,774 | 5,216,148 | 5,842,591 | 6,119,164 | 5,771,579 | 5,740,811 | 5,921,117 |



AFL Tribunal

The AFL Tribunal adopted two new recommendations for 2001 when dealing with players found guilty of a reportable offence. After a comprehensive review over the 2000/2001 summer, it was decided that:

1. Any player found guilty of a reportable offence in the Grand Final would receive a more severe penalty than if he had been found guilty of a similar offence during the home and away season.
2. Any player found guilty of a reportable offence in a home and away or finals match, and subsequently suspended, may not necessarily be allowed to serve that suspension during the pre-season competition only.

The AFL's view is that the Grand Final is the showpiece game of the year and must be decided by skill rather than on-field violence.

Further, spitting was deleted from the list of charges where a player may take an automatic fine.

In 2001, the number of Tribunal appearances was very similar to those in 2000 with 204 reports made, 137 sustained (67 per cent), 56 not sustained and 11 withdrawn. Suspensions totalled 94 matches and fines of \$138,000.

The AFL Tribunal sat outside Melbourne several times as a reflection of the national competition and in acknowledgement of the difficulties involved for non-Victorian clubs when hearings are always based in Melbourne.

Umpire contact was a significant issue for the Tribunal and there were a number of high-profile cases early in the season.

In 2000, the number of incidents involving contact between players and umpires increased and several senior umpires missed games due to injury.

As a result, in the lead-up to season 2001, all clubs were advised that they had a duty of care towards umpires on the ground and that reports would be laid if it was felt contact could have been avoided.

Umpires were instructed to clearly indicate to players the direction they would take when leaving contests at all stop-play situations. They were also told to umpire away from the 'hot spots' at centre half-forward where injuries had occurred.

As a result of these measures, the instances of umpire/player contact dropped significantly in 2001 compared with season 2000.

Tribunal chairman in 2001 was again Brian Collis, QC, who began his term of appointment at the start of the 1998 season. Other Tribunal members were Shane Maguire (deputy chairman), Brian Le Brocq, David Shilbury, Emmett Dunne, Elaine Canty, Richard Loveridge and Ian Hill.

The AFL Appeals Board comprised Peter O'Callaghan (chairman), Brian Bourke, Graham Sherry, Gavin Francis, John Schultz, Michael Green and Anthony Nolan.

A total of 11 reports were appealed during the 2001 season with nine of those being dismissed. Brisbane Lions' forward Jonathan Brown had his three-match suspension overturned while Western Bulldogs' defender Todd Curley had a four-match penalty reduced to two games.

Tribunal results 1986-2001

| Season | No. of reports | Sustained | Sustained & reprimanded | Not sustained (withdrawn) | % sustained |
|---------|----------------|-----------|-------------------------|---------------------------|-------------|
| 1986 | 105 | 40 | 13 | 52 | 50 |
| 1987 | 135 | 56 | 14 | 65 | 52 |
| 1988* | 95 | 56 | 3 | 36 | 62 |
| 1989 | 92 | 52 | - | 40 | 57 |
| 1990 | 108 | 60 | 1 | 47 | 56 |
| 1991 | 94 | 58 | 1 | 35 | 63 |
| 1992 | 66 | 38 | - | 28 | 58 |
| 1993 | 102 | 57 | - | 45 | 56 |
| 1994 | 99 | 46 | - | 53 | 46 |
| 1995 | 82 | 52 | - | 30 | 63 |
| 1996 | 126 | 80 | - | 46 | 63 |
| 1997 | 164 | 110 | - | 54 | 67 |
| 1998 # | 154 | 100 | - | 37 (17) | 73 |
| 1999 | 142 | 103 | - | 27 (11) | 73 |
| 2000 | 200 | 132 | - | 39 (30) | 67 |
| 2001 | 204 | 137 | - | 56 (11) | 67 |
| Average | 123 | 73 | 2 | 42 (17) | 61 |

* Neil Busse replaced Jack Gaffney as chairman of the AFL Tribunal.

Brian Collis replaced Neil Busse as chairman of the AFL Tribunal.



**There were
204 reports
in season
2001,
67 per cent
sustained**

2001 video report summary

| Team | Players charged | No. of charges | Suspended | Fined | Not sustained | Withdrawn |
|-------------------|-----------------|----------------|------------------------|----------------------|---------------|-----------|
| ADELAIDE | 2 | 2 | - | - | 2 | - |
| BRISBANE LIONS | 4 | 4 | 2 (2 matches) | - | 2 | - |
| CARLTON | 1 | 1 | - | 1 (\$1500) | - | - |
| COLLINGWOOD | 1 | 1 | - | - | 1 | - |
| ESSENDON | 7 | 9 | 5 (6 matches) | 1 (\$600) | 3 | - |
| FREMANTLE | 2 | 2 | 1 (1 match) | 1 (\$1200) | - | - |
| GEELONG | 8 | 9 | 3 (7 matches) | 3 (\$7000) | 3 | - |
| HAWTHORN | 5 | 6 | 2 (2 matches) | - | 4 | - |
| KANGAROOS | 7 | 8 | 4 (5 matches) | 3 (\$4400) | 1 | - |
| MELBOURNE | - | - | - | - | - | - |
| PORT ADELAIDE | 6 | 6 | 3 (4 matches) | 2 (\$2800) | 1 | - |
| RICHMOND | 10 | 10 | - | 9 (\$18,400) | 1 | - |
| ST KILDA | 7 | 7 | 2 (2 matches) | 3 (\$5,500) | 2 | - |
| SYDNEY | 4 | 4 | 2 (2 matches) | - | 2 | - |
| WEST COAST EAGLES | 4 | 4 | - | 3 (\$4900) | 1 | - |
| WESTERN BULLDOGS | 7 | 9 | 2 (3 matches) | 5 (\$13,500) | 2 | - |
| TOTAL | 77 | 82 | 26 (34 matches) | 31 (\$59,800) | 25 | - |

NB: does not include investigations

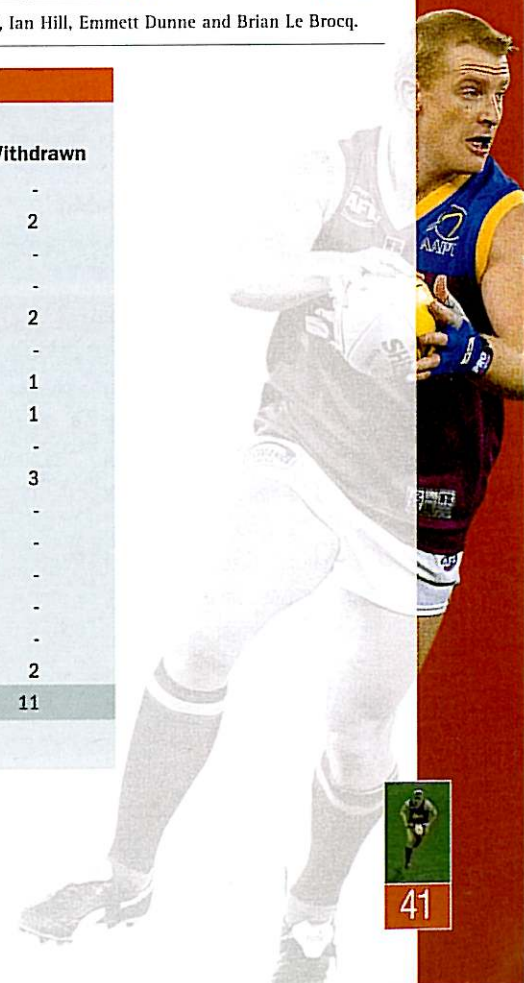


TRIBUNAL MEMBERS: On the AFL Tribunal from left, Brian Collis, Shane Maguire, Richard Loveridge, David Shilbury, Elaine Canty, Ian Hill, Emmett Dunne and Brian Le Brocq.

2001 AFL Tribunal summary

| Team | Players charged | No. of charges | Suspended | Fined | Not sustained | Withdrawn |
|-------------------|-----------------|----------------|------------------------|-----------------------|---------------|-----------|
| ADELAIDE | 4 | 4 | - | 1 (\$1200) | 3 | - |
| BRISBANE LIONS | 11 | 16 | 6 (9 matches) | 4 (\$10,700) | 4 | 2 |
| CARLTON | 6 | 9 | 2 (2 matches) | 5 (\$6300) | 2 | - |
| COLLINGWOOD | 6 | 8 | 1 (2 matches) | 4 (\$5500) | 3 | - |
| ESSENDON | 10 | 16 | 7 (9 matches) | 3 (\$2400) | 4 | 2 |
| FREMANTLE | 8 | 11 | 3 (4 matches) | 4 (\$4800) | 4 | - |
| GEELONG | 15 | 21 | 11 (20 matches) | 3 (\$7000) | 6 | 1 |
| HAWTHORN | 11 | 19 | 5 (6 matches) | 8 (\$12,500) | 5 | 1 |
| KANGAROOS | 13 | 17 | 7 (10 matches) | 6 (\$10,300) | 4 | - |
| MELBOURNE | 8 | 12 | 2 (3 matches) | 5 (\$11,600) | 2 | 3 |
| PORT ADELAIDE | 9 | 11 | 4 (5 matches) | 2 (\$2800) | 5 | - |
| RICHMOND | 13 | 16 | - | 13 (\$23,200) | 3 | - |
| ST KILDA | 7 | 10 | 3 (5 matches) | 3 (\$5500) | 4 | - |
| SYDNEY | 8 | 9 | 5 (7 matches) | 1 (\$1200) | 3 | - |
| WEST COAST EAGLES | 6 | 8 | 1 (2 matches) | 5 (\$9100) | 2 | - |
| WESTERN BULLDOGS | 10 | 17 | 4 (10 matches) | 9 (\$23,900) | 2 | 2 |
| TOTAL | 144 | 204 | 61 (94 matches) | 76 (\$138,000) | 56 | 11 |

NB: includes video reports, investigations and melee charges.



Total Player Payments

The AFL and the AFL Players' Association reached agreement in 2001 on the level of Total Player Payments for 2002 and 2003.

The Total Player Payments amount increases by 7.25 per cent in 2002 to \$89 million (\$5.562 million per club) and by a further 6.75 per cent in 2003 to \$95 million (\$5.937 million per club). The agreement also reduces the minimum requirement which clubs must spend on Total Player Payments, from 95 per cent to 92.5 per cent.

AFL payments to clubs as a percentage of the minimum Total Player Payments have increased from 68 percent of the minimum Total Player Payments in 1998 to a forecast of 97 percent of the Total Player Payments by the year 2006.

In the 10 years from 1992, Total Player Payments increased 254 per

cent from \$24 million to \$83 million in 2001.

The Total Player Payments policy is fundamental to the competition and strictly enforced by the AFL.

The Fremantle Football Club breached its 2001 Total Player Payments limit by \$54,415 and was fined that amount. It was barred from participating in the 2001 Pre-Season Draft and will forfeit its round three pick in the 2002 AFL National Draft. If it breaches Total Player Payment rules again before next year's draft, it will also be penalised its round one and round two picks.

The St Kilda Football Club was fined \$20,000 for exceeding the Total Player Payments limit of \$5,187,500 before the injury allowance after it contracted a rookie list player mid-year.

2001 AFL total player earnings

| | 1998 \$ | 1999 \$ | 2000 \$ | 2001 \$ | Movement % 2000-2001 |
|---|------------|------------|--------------------------------------|--------------------------------------|-------------------------|
| GROSS PLAYER PAYMENTS | 62,186,000 | 71,985,000 | 80,951,208 | 88,957,912 | 9.89% |
| Deductions: | | | | | |
| <i>Finals/Ansett Cup/relocation & allowances</i> | 1,093,000 | 1,073,000 | 844,209 | 812,883 | (3.71%) |
| <i>Development/merger allowances</i> | 991,000 | 838,000 | 1,112,500 | 1,178,125 | 5.90% |
| <i>Veterans' allowance 50% deduction</i> | N/A | 1,721,000 | 2,549,017 | 2,595,883 | 1.84% |
| <i>Other deductions</i> | - | - | 646,799 | 703,427 | 8.76% |
| Total deductions | 2,084,000 | 3,632,000 | 5,152,525 | 5,290,318 | 2.67% |
| PLAYER PAYMENTS LESS DEDUCTIONS | 60,102,000 | 68,353,000 | 75,798,683 | 83,667,594 | 10.38% |
| Injury allowance | 8,176,000 | 5,688,000 | 3,500,608 | 4,266,984 | 21.89% |
| GROSS PLAYER PAYMENTS LESS INJURY ALLOWANCE | 51,926,000 | 62,665,000 | 72,298,075 | 79,400,610 | |
| TPP LIMIT | 52,400,000 | 68,000,000 | 76,000,000 | 83,000,000 | 9.21% |
| <i>Gross player payments less Injury Allowance</i> | 51,926,000 | 62,665,000 | 72,298,075 | 79,400,610 | |
| <i>Margin/(Excess) of TPP limit</i> | 474,000 | 5,335,000 | 3,701,925 | 3,599,390 | (2.77%) |
| <i>Additional services agreements (ASAs)</i> | N/A | N/A | 3,413,383 | 4,186,233 | 22.64% |
| Average gross player earnings (including ASAs) | \$101,957 | \$117,398 | Listed \$126,996 Played \$140,295 | Listed \$149,749 Played \$165,062 | |

1990-2001 summary of AFL player earnings

| | 1990 | 1991 | 1992 | 1993 | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2000 | 2001 | 2001 |
|---------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| | Played | Played | Played | Played | Played | Played | Played | Played | Played | Played | Listed | Played | Listed | Played |
| \$0-\$60,000 | 442 | 448 | 409 | 373 | 337 | 307 | 260 | 178 | 152 | 121 | 159 | 87 | 139 | 71 |
| \$60,001-\$100,000 | 88 | 100 | 125 | 126 | 147 | 162 | 173 | 217 | 191 | 143 | 142 | 132 | 112 | 102 |
| \$100,001-\$200,000 | 8 | 17 | 19 | 33 | 45 | 91 | 126 | 159 | 209 | 249 | 245 | 237 | 223 | 219 |
| \$200,001-\$300,000 | - | - | 1 | 1 | 1 | 9 | 12 | 17 | 26 | 52 | 80 | 80 | 93 | 92 |
| \$300,001-\$400,000 | - | - | - | - | - | - | 2 | 5 | 5 | 7 | 22 | 22 | 34 | 34 |
| \$400,001-\$500,000 | - | - | - | - | - | - | - | - | - | 4 | 8 | 8 | 14 | 14 |
| \$500,001-\$600,000 | - | - | - | - | - | - | - | - | - | - | - | - | 4 | 4 |
| \$600,001-\$700,000 | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| TOTAL | 538 | 565 | 554 | 533 | 530 | 569 | 573 | 576 | 583 | 576 | 658 | 568 | 622 | 539 |

NB: Details listed between 1990-1999 relate only to players who participated in at least one senior match during the season. Schedule above shows total player earnings including ASAs.



Umpiring

The AFL's senior umpiring squad and the umpiring department were again dealt a number of challenges in 2001.

The area that attracted most attention related to player/umpire contact. This followed on from season 2000 in which player/umpire collisions resulted in a number of serious injuries to umpires and had an impact on the lower grades in terms of umpire recruitment.

It became apparent that players must adhere to a 'duty of care' to umpires in relation to their space and role.

As the same time, umpires were instructed to change their actions to assist in trying to eliminate collisions with players and this was implemented in 2001 via a new on-ground positioning policy designed to:

1. Move umpires out of the way of players leading to space in the forward line.
2. Position umpires on the outside of play to enhance their vision of contests.
3. Make the umpire's role safer by keeping them out of high contact areas.

Umpires were also instructed to give clear indication of the path they would be taking when backing out after bouncing the football.

AFL clubs were notified of the new positioning instructions and rationale pre-season and were also advised that umpires would be likely to take action against players if it was felt the contact was avoidable.

After initial teething problems and some high-profile incidents, contact between players and umpires was not an issue by the end of the season.

A positive aspect for AFL football in recent seasons has been the rapid decline in the use of abusive language and demonstrative behaviour directed at umpires. This was consolidated in 2001.

The performances of Grand Final umpires Martin Ellis, Mathew James and Scott McLaren were exceptional and set a benchmark for all other umpires.

McLaren was named All-Australian umpire and a number of umpires reached major milestones in 2001.

300 games:

Chris Mitchell
David Howlett

250 games:

Darren Goldspink
Gavin Dore
Brett Allen

150 games:

Scott McLaren

Mark Nash

100 games:

Steve McBurney
Shane McInerney



300 GAMES: Chris Mitchell (left) and David Howlett.

Newcomers Matthew Head (Victoria), David Corcoran (WA), Scott Jeffery (Tasmania) and Derek Woodcock (South Australia) made promising starts to their careers while, at the other end of the spectrum, David Howlett retired after more than 300 AFL games.

Mark Nash also retired after an impressive career, along with Steven Hanley. Richard Fox was delisted after two seasons as an AFL umpire and the umpiring department wishes all four good luck for the future.

Umpires' Collective Bargaining Agreement

The AFL and the AFL Umpires' Association signed a new three-year Collective Bargaining Agreement just before the start of the 2001 season covering all field, boundary and goal umpires.

The agreement sets out a number of conditions, including minimum base and match payments for all umpires, provision for injury payments, medical benefits, anti-gambling/bribery provisions and a detailed grievance procedure.

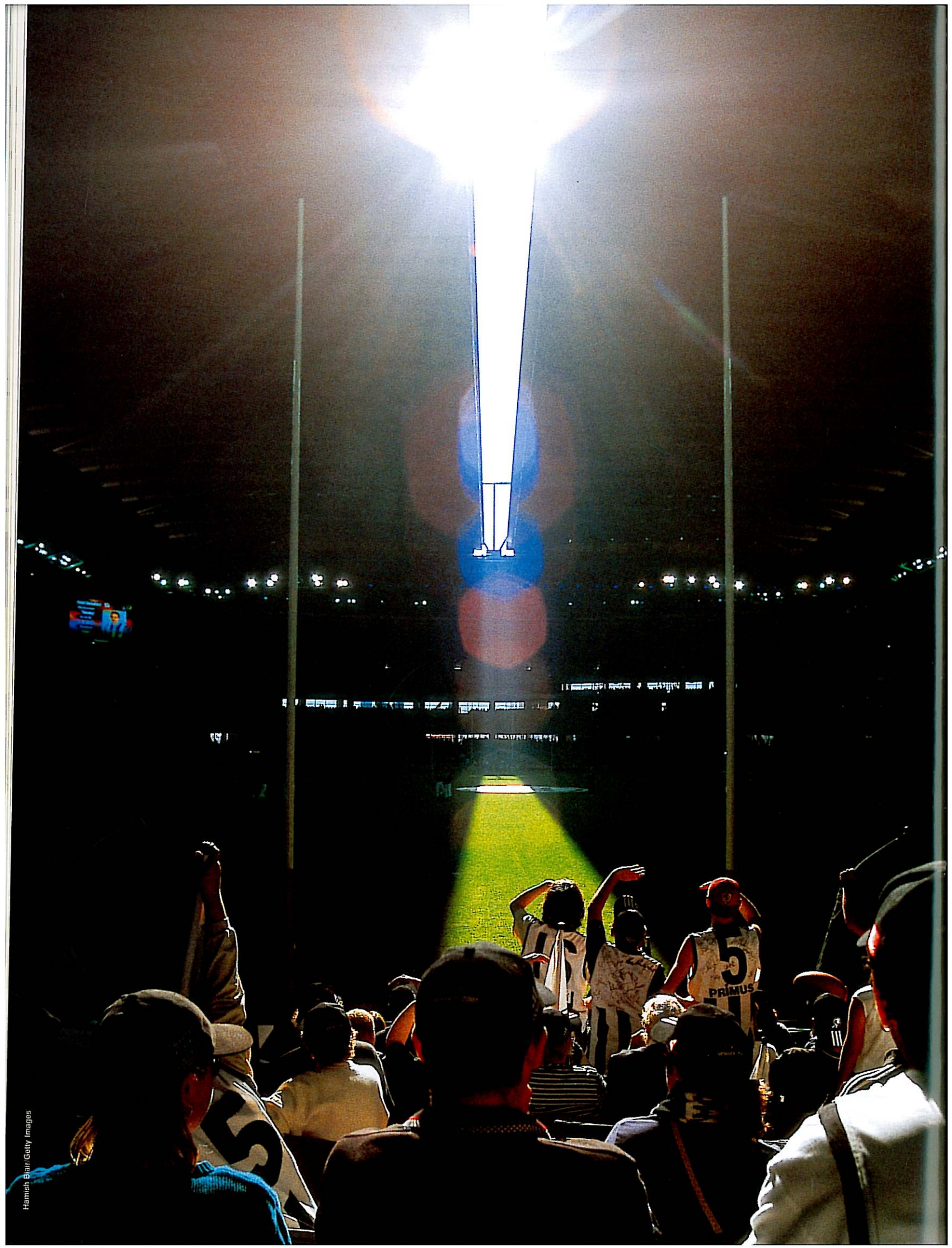
Payments will increase by between six and eight per cent over the next three years while the AFL will provide the umpires' association with \$100,000 per year to cover its administration costs, increasing the current amount by more than \$70,000 per year.

The AFL will also contribute at least \$300,000 to the existing Provident Fund, which was established to assist umpires at the end of their careers.



List of payments - field umpires

| Base (per season) | | | |
|---------------------------|------------|-------------|------------|
| | Category 1 | Category 2 | Category 3 |
| 2001 | \$23,000 | \$28,000 | \$33,000 |
| 2002 | \$24,000 | \$29,000 | \$34,000 |
| 2003 | \$25,000 | \$30,000 | \$35,000 |
| Match payments (per game) | | Grand Final | |
| 2001 | \$1550 | 2001 | \$11,500 |
| 2002 | \$1650 | 2002 | \$12,000 |
| 2003 | \$1750 | 2003 | \$12,500 |



CORPORATE AFFAIRS & COMMUNICATIONS

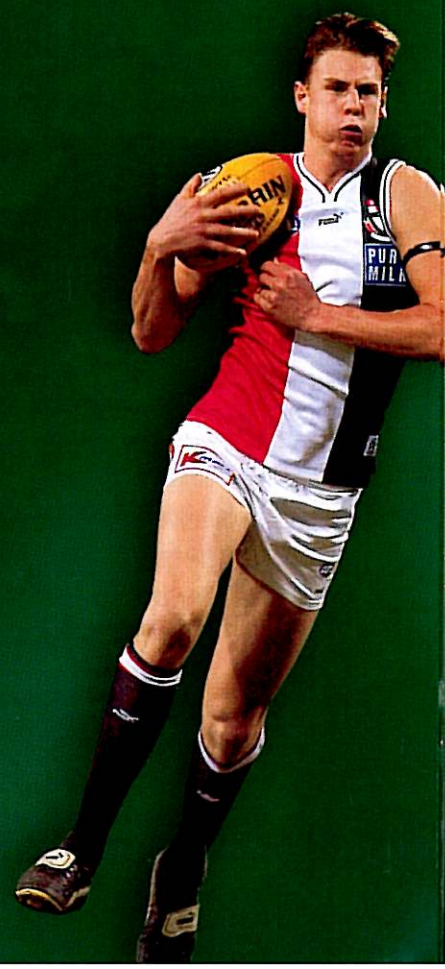


TONY PEEK

THE AFL's Strategic Plan, tabled in 2001 and constantly evolving, was developed, in conjunction with the AFL Executive, by the Corporate Affairs and Communications Department, led by General Manager Tony Peek. This department is also responsible for media relations, communications and community relations.

LET THERE BE LIGHT: A stunning view of Colonial Stadium in 2001.

Right: 2001 AFL Rising Star winner Justin Koschitzke



PLANNING, PROGRESS GO HAND IN HAND

A 'living' Strategic Plan allows the AFL to identify and counter upcoming challenges while plotting a progressive course

The AFL Commission adopted a three-year Strategic Plan in 2001 to ensure the future growth and prosperity of Australian Football. The AFL Commission's overall vision is to provide the Australian community with a national football competition featuring the best possible players while also nurturing the game as a truly national code.

Our game has never been in better shape. In 2001, 6.8 million people attended an AFL match and a further three to four million people each week watched our game on television. Australian Football is the most attended sport in our country and is ranked third in terms of participation.

Success on the ground has been matched by growing financial strength and long-term security through our new broadcast rights agreement and various corporate partnerships.

The AFL Commission's strategic plan aims to build on those successes. It is also about re-investment in our most important assets – the 16 AFL clubs, their players, our game's supporters and the football community at large.

A key aim of the AFL Commission during the next three years is to ensure our game remains accessible to supporters in general and families in particular and to enshrine the rights of supporters in our decision-making processes.

The Strategic Plan was designed as a 'living' one, to be updated annually.

Strategic priorities and commitments

In its 2001 Strategic Plan, the AFL Commission identified four key priorities.

1. Manage the national competition:

To effectively manage the national competition to ensure it is the most successful national elite sports competition for the benefit of our key stakeholders – our AFL clubs, the players and the public.

2. To develop the game to be the number one participant sport in Australia:

To promote high levels of player participation in well-managed programs at all levels of community football to ensure Australian Football is the pre-eminent national football code.

3. Build the AFL brand:

To promote public interest in the game by building the strongest consumer brand position in Australian sport.

4. Enhance the financial standing of the game in Australia:

To maximise the economic benefits of Australian Football to our member clubs, our players, the supporters, the football fraternity and the community at large.

1. Manage the national competition

Key issues include:

- Meeting the needs of spectators for quality facilities.
- Implementing a growth strategy for AFL attendances, television ratings, participation and other key performance indicators in New South Wales, ACT and Queensland.
- Building attendances in all other capital city markets.
- Effectively representing the interests of supporters.
- Establishing and maintaining appropriate pricing policies.

Associated initiatives:

- Implement new fixturing/scheduling process adopted for 2001.
- Develop a strategy to deal with the non-attendance of reserved seat-holders to allow spare seats to be obtained by other supporters.
- Review pricing of all ticket categories, particularly for families, for implementation in 2002.
- Review allocation of Grand Final tickets with the aim of increasing the number available to members of competing clubs, for implementation in 2002.
- Develop a strategy for further growth of the pre-season competition.
- Review what seem to be the ever-increasing ground management costs associated with AFL matches at various venues, including ticket booking fees charged by third parties.
- The AFL will continue to focus on building attendances at all matches. The role of broadcasting is to enhance the number of supporters who can enjoy the game through live and delayed telecasts. While the number of live and delayed telecasts increased during the 1990s, attendances also rose.

Rules and policies:

The clear strength of the competition remains its unique capacity to draw



Sean Garnsworthy/Getty Images

COLOURFUL: Australian Football fans love donning their colours and wearing wild costumes when they watch their favoured team play.

record-breaking crowds. Maintaining and developing appropriate rules and policies consistent with the AFL Commission's equalisation strategy is fundamental to the management of the competition.

Associated initiatives:

- Review the AFL National Draft rules and procedures.
- Review the Collective Bargaining Agreement between the AFL and AFL Players' Association.
- Implement the new Collective Bargaining Agreement between the AFL and AFL Umpires' Association.
- Implement new Australian Sports Drug Agency agreement.
- The player rules and rules and regulations of the AFL competition remain 'work in progress' and are reviewed annually as circumstances change.

2. Develop the game

Key issues include:

- Increasing participation rates in all markets.
- Retaining participants from AFL Auskick in school and local club football.
- Retaining participants in youth football.
- Recruiting and retaining umpires.
- Retaining and recognising club volunteers.

- Tracking participants through a website/database.
- Long-term investment required to develop Australian Football in communities throughout New South Wales, ACT and Queensland.
- Creating new AFL supporters as a flow-on from game development activities.

Associated initiative:

- Major review of national and state/territory game development programs. During 2001, the AFL Commission appointed a group to review all aspects of game development throughout Australia. The review group was chaired by AFL Commissioner Colin Carter and included Ron Alexander, Peter MacKinlay, David Parkin, Geoff Polites, Rodney Payze, Jenny Sinclair and Ross Smith.

Terms of reference included:

- Review the current level of funding to states and territories and the outcomes achieved by the AFL and state bodies around Australia.
- Recommend areas for priority funding for 2002 to 2006 and identify the outcomes to be achieved and the required level of funding.
- Recommend strategies, structures and relationships between the AFL and each state and territory.





The review group's report will be circulated to all key stakeholders and considered by the AFL Commission during the first half of 2002.

A major issue identified by the review group related to the 48,000 volunteers throughout the nation who help to run Australian Football. The review noted increasing pressure on this group due to changes in government and local government policies relating to tax, health and safety, user-pays charges for facilities and increasing costs for insurance. These issues are critical to the future of community football and will be considered in further detail in 2002.

3. Build the AFL brand

Key issues include:

- Achieving attendance growth in all markets.
- Ensuring the concerns of supporters are central to AFL decision-making and development.
- Achieving strong participation growth in New South Wales and Queensland.
- Managing broadcasting agreements after 2001.
- Increasing television and radio exposure in all markets.
- Sourcing and allocating appropriate resources for marketing, promotion, public relations and community relations.
- The environment in which the AFL, our clubs and the game operate, in competition with other forms of sport, entertainment and leisure options.

- Time pressures on people, changing lifestyles.

Associated initiatives:

- Develop and implement a marketing plan for each market.
- Review all pricing, including general admission, family tickets, reserved seats and club membership for implementation in 2002.
- Review finals ticketing arrangements with a view to increasing the number of Grand Final tickets allocated to members of competing clubs.
- Develop a total communications strategy for the AFL, including advertising, promotion, media relations, public relations, community relations and government relations.
- Identify a clear strategy to build on the progress since 1997 and further expand the game in New South Wales and ACT.
- Through consultation, develop an AFL charter for supporters by which the AFL will ensure that the interests of the public are central to decision-making processes – for implementation in 2002.

4. Enhance the financial standing of the game

Key issues include:

- Implementing appropriate policies for distributions to AFL clubs and investment in game development from increased revenue streams.
- Managing the financial expectations of various stakeholders.
- Assisting in managing the financial performances of clubs.

Issues for the next decade

THE challenge going forward is for the AFL competition and the game itself to prosper and strengthen its pre-eminent position in Australian sport against:

- The vast number of different sports and forms of leisure and entertainment competing for the hearts and minds of Australians of all ages.
- The time pressure on people and changing lifestyles, particularly among young Australians.
- Demographic trends which see the developing AFL markets of New South Wales and Queensland as Australia's most populous states and major growth centres. The challenge for the AFL is to achieve sustained growth in these markets in terms of participation, community support, television audiences and general media coverage.
- The proposed three-and-a-half year reconstruction period for the northern and western sections of the MCG.

- Potential disruption to the 2006 season caused by the Commonwealth Games in Melbourne.
- The international pressures from soccer and rugby union.
- The determination of both rugby codes to grow in Victoria and perhaps establish or re-establish teams in Adelaide and Perth.
- The potential merger of rugby union and rugby league which has been discussed in Britain and Australia during the past 12 months.
- The large number of major international sporting events held in Australia.
- The potential flow-on effect of the Sydney Olympics in participation in Olympic sports at the expense of participation in Australian Football.

The role of the AFL is to ensure the code is able to successfully compete in a dynamic and changing climate with a long-term strategic policy to manage a wide variety of factors.

- Supervising the financial management of state and territory bodies.

Associated initiatives:

- Optimise broadcasting revenue through implementation of the new broadcasting contract.
- Finalise a new media agreement which governs the use and operation of afl.com.au.
- Develop a new AFL membership strategy to maintain member levels.
- Roll out new corporate partners/sponsorship strategy.
- Analyse the financial trends of the AFL, clubs and state bodies.
- Review the reporting structure between the state bodies and the AFL.
- Analyse match returns by venue and the impact, if any, of the AFL policy introduced in 2000 for the home club to keep all receipts from premiership season games.
- Develop a five-year financial plan to ensure the distribution of increased funds from broadcasting and corporate sponsorship and the conditional sale of Waverley Park has the greatest possible benefit for the competition, AFL clubs, players, supporters and the national development of the game.

Volunteers

To mark the International Year of the Volunteer in 2001, the AFL conducted a volunteer recognition program to thank the volunteer army which runs local football clubs and AFL Auskick centres throughout Australia and in other parts of the world.

Essendon coach Kevin Sheedy was the AFL's ambassador for the volunteer recognition program which saw some 27,000 certificates issued to football volunteers around Australia. Another 650 certificates were distributed to volunteers overseas.

Two of the longest-serving volunteers in Australia are Len and Ora Ablett, who have been continuously associated with the Myrtleford Football Club in Victoria for 56 years.

The volunteer recognition program was a joint project of the AFL's game development and corporate affairs departments.

Retiring players get a helping hand

AFL SportsReady has traditionally managed and administered apprenticeship traineeships within the sports industry. However, in 2002, it will expand its role to also assist players nearing the end of their playing careers.

This initiative follows discussions with clubs on how AFL SportsReady can improve its successful and well-supported program.

For AFL clubs, AFL SportsReady has assisted young listed players and rookies with employment and training while working either within or outside the club.



HELPING: Wayne Jackson and the AFL's ambassador for the 2001 Year of the Volunteer, Kevin Sheedy, deal out the canteen delights to Port Melbourne women's committee members who between them have given more than 305 years service to Port Melbourne.

In the seven years since the Kevin Sheedy-inspired program was established, 311 listed players have been employed as AFL SportsReady trainees, including 2001 Brownlow Medallist Jason Akermanis in 1996.

In addition, more than 160 young men and women have been employed within AFL clubs.

Over the years, AFL SportsReady has sought feedback from the clubs on how to most effectively meet the needs of players with regard to their education, training and future employment.

While clubs support the program and appreciate the help they receive from AFL SportsReady, the feedback indicates a need for assistance at the other end of players' careers in providing opportunities and direction to players whose on-field careers are nearing an end.

AFL players approaching retirement have different hopes and dreams. Some want to stay totally involved in football. Some want a continuing involvement in football, but are also seeking something else. Some are looking to forge a new career. Some wish to capitalise on the skills they have gained while studying and/or working during their playing days.

The clubs have indicated a need for support in this area and AFL SportsReady, with the support of the AFL Players' Association and the AFL, has appointed a player career transition officer, Grant Williams.

Williams will assist players and clubs during this important phase of their lives. He will work with the clubs' player welfare officers to help those seeking extra assistance in planning for a future beyond football. This exciting initiative is to be launched early in 2002.

Media relations

Media exposure of the AFL continues to expand at a remarkable rate with saturation coverage in the southern states and increasing interest in the northern markets of New South Wales and Queensland where coverage has more than doubled in the past five years.

The AFL accredited more than 1400 journalists, photographers, television and radio broadcasters and production crews to cover matches during 2001.

Of that group, about 600 journalists specifically report on AFL football, compared with the 120 journalists assigned to cover federal parliament in Canberra.

AFL media relations manager Patrick Keane is responsible for day-to-day contact with the media on behalf of the AFL. He also:

- administers the AFL Commission's media relations policy which deals with how AFL clubs and players should deal with the media.
- arranges media conferences and news releases.
- coordinates the provision of media facilities at AFL venues and events.
- liaises with the Australian Football Media Association.

In 2002, redevelopment work begins on the northern side of the Melbourne Cricket Ground and will include significantly expanded and improved media facilities.

Radio rights holders in 2001 included the ABC, 3AW, the Triple-M network, K-Rock, 6PR, 5AA and 4AAA who provided extensive coverage through live broadcasts of each round of the premiership season and finals as well as associated programming and promotion during the year. The AFL regards radio coverage as an important entertainment, information and community service taking the game to as broad an audience as possible.

Community relations

In 2001, a community relations strategy was implemented as part of the AFL's strategic plan.

Significantly, the AFL formed a partnership with 'beyondblue', the national depression initiative chaired by former Victorian premier Jeff Kennett, to create the A3 program – Aspire, Achieve, Affect.

Using AFL players as positive role models to assist young people by raising awareness in the community, A3 provides leadership development opportunities and builds support networks.

Throughout 2001, the AFL lent its support to various charities including:

- MS Society (Barrack for MS Day); St John's Ambulance Australia; RSL; Anti-Cancer Council; Children's Cancer Foundation; Peter MacCallum Institute; Good Sports Day challenge.



Darrin Braybrook/Getty Images

FUTURE OF FOOTBALL: Kevin Sheedy speaks with the future of AFL football – students from grades three and four at Essendon Primary School during season 2001.



AFL growth in NSW/ACT

A major achievement in 2001 was the completion of the strategic plan to continue to take the game forward in New South Wales and the Australian Capital Territory.

The strategy is designed to build on increased support for the game after the rebuilding of the Sydney Swans in the 1990s and the implementation of the AFL's New South Wales Task Force report from 1998. Since then, participation rates throughout NSW and the ACT have risen substantially.

The AFL Commission believes the continued national focus of the code is fundamental to maintaining and enhancing the game as the country's pre-eminent elite sports competition.

This nationalisation of the competition and the code has been fundamental to its financial well-being. In 1987, the then VFL's broadcasting rights were valued at \$1 million. From 2002 to 2006, the AFL's broadcasting rights will generate, on average, between \$90 million and \$100 million annually.

The development of a strategic plan for NSW was a joint effort between the AFL, the Sydney Swans and the AFL (NSW-ACT) with a working group comprising Ben Buckley and Tony Peek (AFL), Kelvin Templeton (Sydney Swans) and John Livy (AFL NSW-ACT). AFL executives Andrew Demetriou and Ross Smith were also involved in the planning period at various times.

Continued expansion in NSW will allow the AFL to continue to grow the 'pie' for the ultimate benefit of all AFL clubs and the game itself through increased public support, participation in grassroots football and the enhanced value of key competition rights.

The Sydney market is particularly important because there is no other growth market in Australia with similar potential. Sydney is:

- Australia's largest metropolitan market with a population of about 3.9 million.
- the headquarters for 54 per cent of the top listed Australian companies. This compares with 37 per cent in 1981. All major national and multinational advertising agencies have their headquarters in Sydney and all but one of the major media buying companies are Sydney-based.
- the headquarters for all key media companies – the five free-to-air TV networks, the two pay-TV networks, the two largest newspaper groups and the three largest magazine groups. Fifty to 60 cents in every national media dollar is being decided by Sydney-based companies.

Key elements in the strategic plan for NSW are:

- the scheduling of AFL premiership season matches at Stadium Australia. The AFL believes this will provide more opportunity for people living in the greater west region of Sydney to attend an AFL match.

This region is Australia's third largest economy, behind central Sydney and Melbourne, and bigger, in economic terms, than major Australian trading partner Singapore.

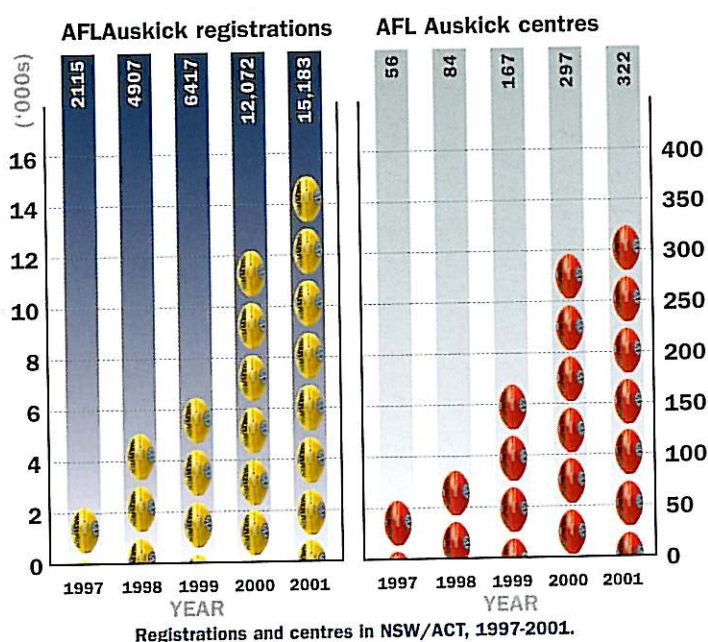
- premiership season games at the SCG.
- pre-season games in Sydney.
- further focus on grassroots football in NSW and the ACT. Since 1997, the number of AFL Auskick centres has increased from 56 to 322 and registrations have grown from 2115 to 15,183.
- increasing interest and awareness in the AFL competition and the game itself.

The plan requires increased long-term investment in game development to affect general change in broad community acceptance and involvement in Australian Football as well as for marketing, advertising, promotion and publicity.

This emphasis on growth in NSW (and Queensland) will occur hand in hand with continued support to, and investment in, grassroots development in traditional AFL markets.

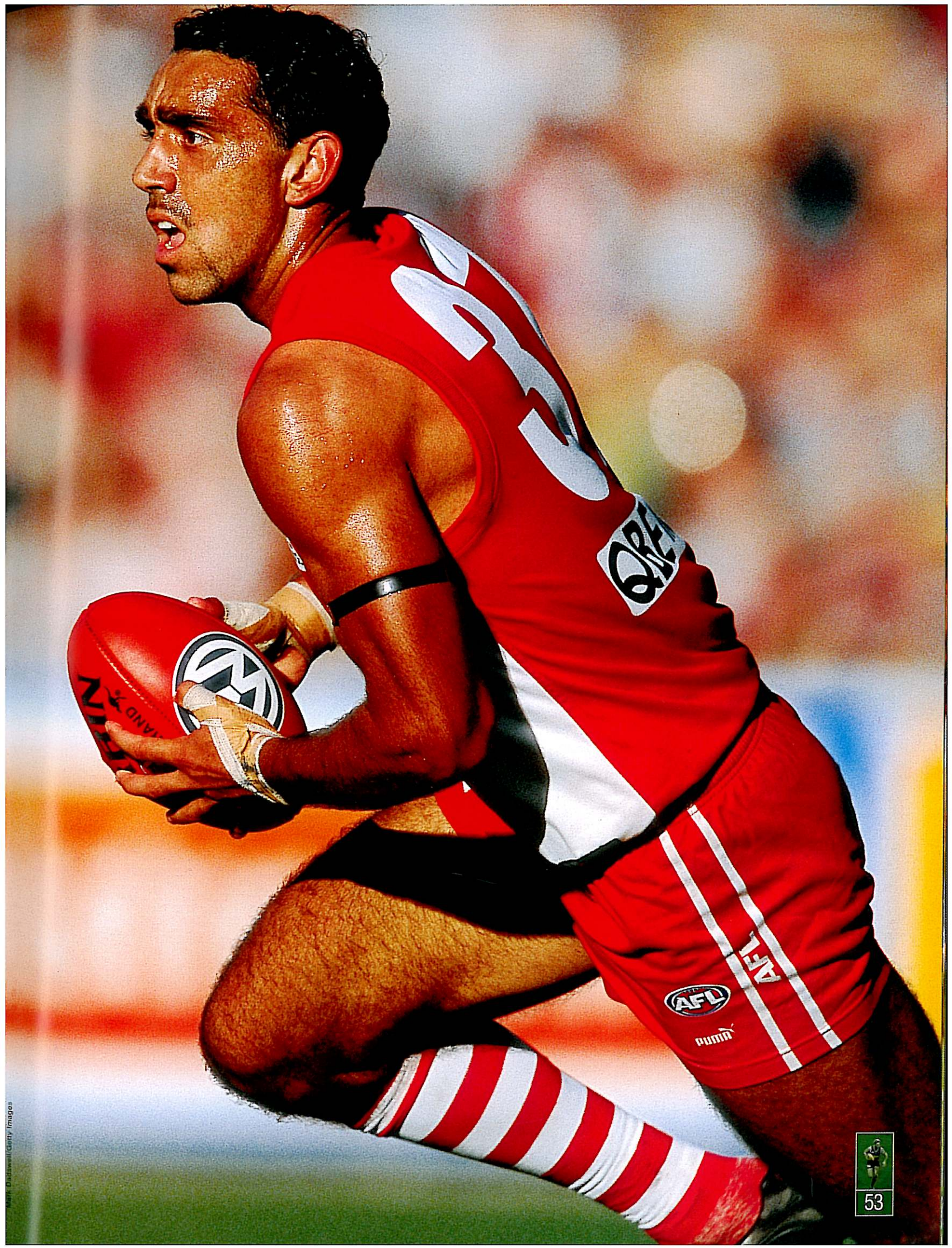
The northern markets are home to 54 per cent of Australia's population and their growth rates exceed the national average. Within the next 10 to 15 years, Queensland will replace Victoria as Australia's second most populous state.

For the AFL to maintain its national significance, it must continue to grow in what will ultimately be the two largest markets in Australia.



STAR: 1999 AFL Rising Star Adam Goodes is a hero in Sydney.





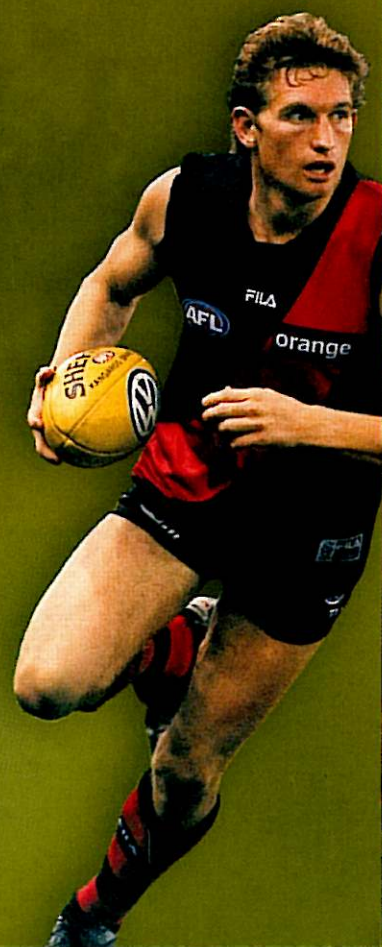


COMMERCIAL OPERATIONS



BEN BUCKLEY

ALL AFL revenue streams, including sponsorships, broadcasting, new media and e-commerce, consumer products, AFL and club membership, and commercial media are driven by the Commercial Operations Department, headed by General Manager Ben Buckley.



NEW LOOK: The *AFL Record* had a new design in 2001 and sales were again strong.

Right: 2001 All-Australian captain James Hird

SETTING THE PACE WITH NEW PARTNERS

The AFL secured several new partners and sponsors in 2001, but is mindful of retaining and enhancing existing relationships

The role of Commercial Operations is vast, but its overall responsibility is to manage the AFL brand in all of its commercial possibilities.

This includes developing and managing sponsorships, working with the AFL executive to ensure the maximum value is attained for its media and new media rights, creating new business opportunities, growing licensing opportunities through its consumer products division, managing AFL Membership, and marketing and advertising the AFL game.

It is vitally important that the game is promoted and available to all supporters of the game. This is a fundamental tenet of the AFL's Mission Statement.

The development of corporate relationships and the continued drive to maximise broadcast and new media rights help to keep the cost of attending AFL matches at internationally low levels.

In 2001, Commercial Operations was successful in many of these areas, with the following major accomplishments dominating:

- finalising Television contracts for 2002 and beyond, as part of the AFL Commission's broadcasting sub-committee, and constructing, in

conjunction with the AFL Executive, a fixture and broadcast relationship for the good of the partners and the AFL supporters in all states.

- forming the AFL-Telstra network with Telstra, a network comprising afl.com.au and the 16 aligned club sites.
- the signing of a new naming rights partner, Carlton & United Breweries, while retaining Coca-Cola as a major partner.
- signing new major sponsors, TipStar, Simpson, NRMA and Volkswagen.
- signing new licensing partners, including Acclaim, Cheers Chips, Sony, Sherrin, News Limited and Kodak.
- finalising a new publishing agreement with AFL Publishing.
- devising marketing plans to boost attendances at AFL matches, pre-season, premiership season, and finals.
- reviewing the structure of AFL Membership.
- undertaking extensive market research.
- reviewing the structure of Corporate Hospitality, Events and Entertainment.

Commercial Operations is continually looking for ways to develop business opportunities and new relationships for the AFL. The internet arrangement with the Seven Network and News Limited expired in 2001 and from 2002 to 2006, the AFL's website, afl.com.au, will be re-launched and operated under the AFL-Telstra banner.

Areas of expansion now included in the department's operations include publishing (*AFL Record* and all AFL publications) and commercial media. Publications are an untapped market for the AFL and have tremendous potential to grow.

The sale and servicing of broadcast rights in Australia and internationally are important components of commercial media. AFL Films, created in 2000, has access to the film and television libraries of the AFL and the Seven Network.

The key departments within Commercial Operations include Corporate Partners, Consumer Products, New Media and E-Commerce, AFL Membership, AFL Hospitality and Events, Commercial Media and Marketing. Commercial Operations also manages the AFL's relationship with its broadcast partners, in conjunction with the Football Operations and Corporate Affairs Departments.



NEW PARTNER: Volkswagen became the match ball sponsor of the AFL in 2001.

SPECTACULAR: Essendon's Gary Moorcroft took the Carlton Draught Mark of the Year over the Western Bulldogs' Brad Johnson in round 14. The Mark of the Year is part of Carlton and United's naming rights sponsorship of the AFL. Photo courtesy of MICHAEL DODGE - HERALD SUN.



Corporate partners

Sponsorships continue to be a significant component of gross AFL revenue. During 2001, much work was done to develop new sponsorship opportunities and partnerships, including revaluing some existing relationships.

The AFL was prepared to take the long view to ensure that the true value of relationships to its brand was recognised. The department's restructure included new appointments to oversee the management of existing relationships, with the aim of providing new business opportunities for sponsors and partners. A major part of the AFL's gross revenue is supplied by sponsorships.

The AFL's relationship with its corporate partners is vital to the survival and growth of the game. These relationships assist the game from the junior to the elite level. In keeping with the competition's equalisation policy, the AFL also shares revenue earned through major sponsorships among clubs.

In 2001, the AFL corporate relations team, led by Michael Conlan, secured a number of new sponsors including Tattersall's TipStar, Volkswagen, NRMA and Simpson, and confirmed Qantas as the AFL's official carrier from 2002. Carlton & United Breweries became the AFL's naming rights partner.

Ansett Australia continued to be a valuable partner of the AFL until its collapse late last season.

Carlton & United Breweries

CUB took over the naming rights from Coca-Cola in 2001 to become the premier partner. Its sponsorship includes naming rights to the AFL premiership season, the AFL finals series and Grand Final, goal and mark of the year, the Brownlow Medal, the AFL All-Australian team and the Foster's International Rules Series. Football and Carlton & United share a unique relationship that dates back to 1858, when the first recorded Australian Football match was played and when the Carlton Brewery was established. CUB was the naming rights sponsor when the game went national in 1982 with the relocation of South Melbourne to form the Sydney Swans.

Coca-Cola

Coca-Cola joined the AFL in 1995 as its major corporate sponsor. In 2001, when CUB took over as naming rights partner, Coca-Cola remained a major supporter of the game and the clubs. Coca-Cola has chosen to build on its traditional connection to the AFL by focusing on both Coke for the fans and Powerade as the official sports drink of the AFL. In 2001, a new AFL Powerade flavour was released with a national advertising campaign.

News Limited

News Limited has been a corporate partner since 1998 under an agreement which includes marketing, promotion and licensing arrangements with the company's metropolitan newspapers. News Limited is also part of the AFL's new broadcasting agreement.

Volkswagen

Volkswagen, the official AFL match-ball sponsor, joined in 2001. Volkswagen was the official car in the AFL Grand Final parade and more than 30 VW Golf Cabriolets carried Brisbane and Essendon players and coaches through the streets of Melbourne.

TipStar

Tattersall's TipStar is the official football tipping competition of the AFL. Governed by Tattersall's and Footy Consortium Pty Ltd, TipStar offers a range of weekly and end-of-season football tipping options. Australia's richest football tipping competition offers an end-of-season cash prize of \$150,000.

Simpson

In late 2001, leading Australian household appliance brand Simpson (owned by Electrolux Australia), became the sponsor of the leading junior development program in Australia – AFL Auskick. In 2002, the AFL and Simpson, together with the Australian Sports Commission, aims to again boost participation in AFL Auskick.

Seven Network

Channel Seven had held exclusive television rights to the AFL/VFL every year since 1957, except for 1987. The most recent agreement, which covered free-to-air and pay television (C7), expired in 2001. In 2001, Seven was also a joint partner with News Limited in providing the official AFL website, afl.com.au.

Spalding

Sherrin is the official football of the AFL and has become an Australian Football icon. Sherrin produces about 80,000 leather footballs a year at its Victorian factory and all must meet exacting AFL requirements.

NRMA

NRMA joined the AFL as a corporate partner in 2001 as the sponsor of the NRMA Help Buggy, a motorised medi-cart which allows injured players to be transported from the ground safely and quickly. The NRMA Help Buggy is strongly endorsed by the AFL and the AFL Medical Officers' Association.

CORPORATE PARTNERS: In 2001 the AFL had a wide range of corporate relationships – all of them mutually beneficial to both parties.



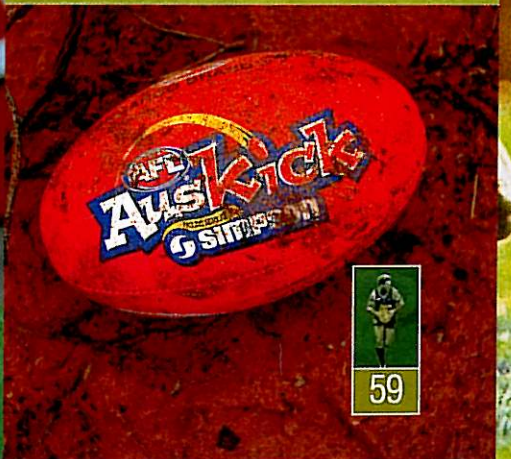
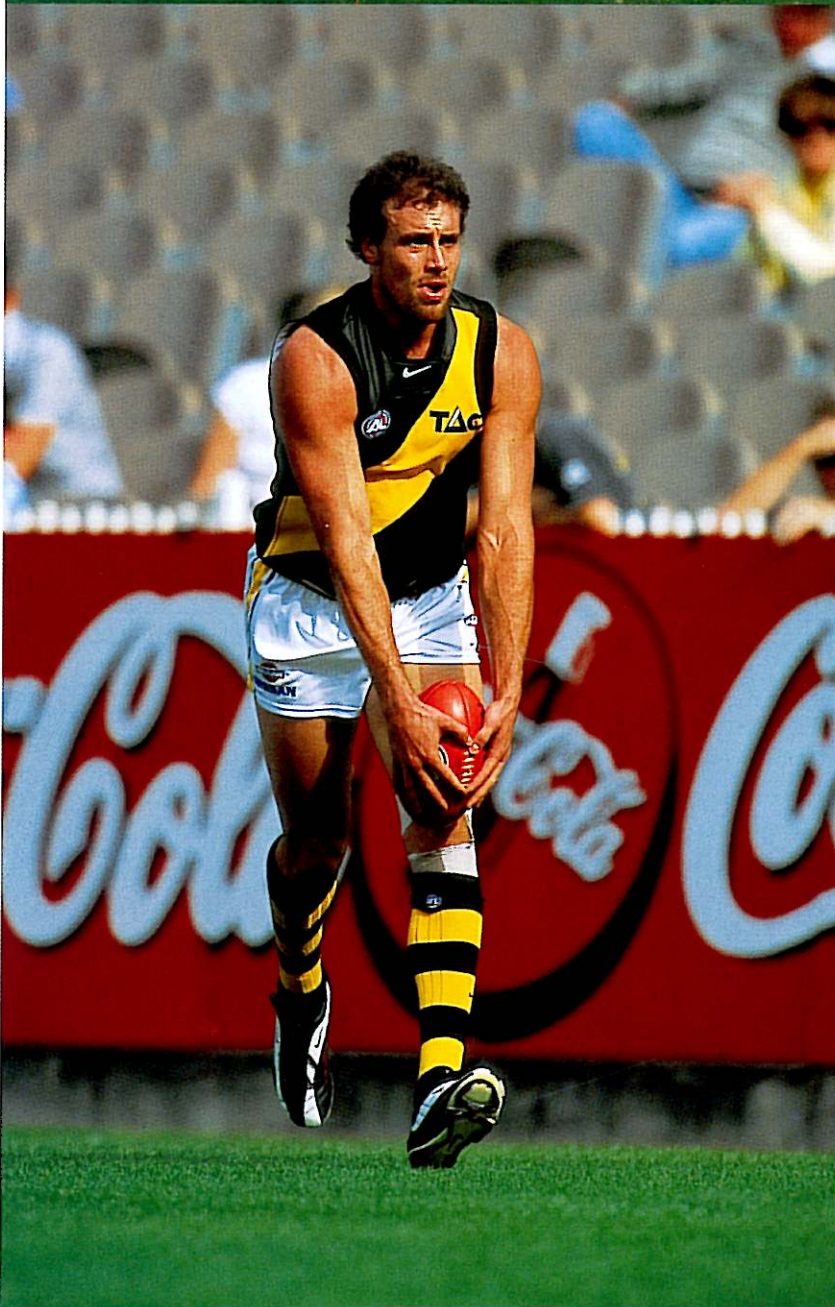
Coca-Cola

NEWS LIMITED



SIMPSON
Get a kick out of life.

7 sport



AFL matches on television and the internet

The AFL's new broadcasting and internet agreements (2002-2006) with the Nine Network, Network Ten, Foxtel, News Limited and Telstra will provide unprecedented access to, and coverage of, AFL football on television and via the internet in Australia and internationally.

There will be more television coverage than in any previous agreement, across free-to-air, and pay television. In any round of the premiership season, all games will be telecast on either free-to-air television or pay television.

On the internet, through afl.com.au and AFL club websites, football supporters will be able to interact with AFL-related content at their will, on a multitude of media platforms, including computers – either broadband or narrow band, via mobile telephones and the next generation of mobile and hand-held computers.

In Perth, Adelaide, Sydney and Brisbane all matches involving the local team or teams will be shown either live or on delay on free-to-air television.

When those teams are playing away from their home city, (for example Adelaide playing in Melbourne) these games will be generally shown live in their home city on free-to-air television.

Games involving the local team played at home will be shown live or on minimal delay on free-to-air television.

For the first time in an AFL broadcast agreement, there is a commitment by the broadcasters to show AFL games at agreed times in Sydney and Brisbane, further enhancing the AFL's push into NSW and Queensland.

In addition, Network Ten will show Saturday night matches involving Sydney and Brisbane in their respective city on Saturday nights in prime time either live or on slight delay. For example, if Sydney is playing on Saturday night in another state, then that game generally will be shown live in Sydney on Ten; if at home, on slight delay. The same applies to the Brisbane Lions on Brisbane free-to-air television.

There will also be a match shown on free-to-air television every Saturday afternoon and every Sunday afternoon regardless of whether Sydney or Brisbane is participating.

In Melbourne on free-to-air television, there will be a match shown either live or on delay on Friday nights, Saturday afternoons and Saturday nights with two matches on Sunday afternoons throughout the season.

All other matches will be on pay television. Given the broadcasters' selection process, the free-to-air matches will, in most cases, involve a Victorian-based team for matches shown in Melbourne.

The fixture structure was designed to ensure consistency of

scheduling for match attendees and for viewers at home. The structure will be, in general, as follows:

- One game on Friday night;
- Two games on Saturday afternoon;
- Two games on Saturday night;
- Three games on Sunday afternoon.

There will be exceptions due to public holidays and the split round (round 12). In 2002 for example, Anzac Day falls on a Thursday, and there are two Monday public holidays. There is also an AFL match on Easter Thursday night.

Other than for split rounds and public holidays, the following describes which broadcasters will broadcast on which days or nights:

- Friday nights: the Nine Network.
- Saturday afternoons: Network Ten will have first choice, with Foxtel showing the other match.
- Saturday nights: Network Ten will have first choice, with Foxtel showing the other match.
- Sunday afternoons: the Nine Network will have the first two choices, and Foxtel will show the other match.

As previously noted, matches involving Perth, Adelaide, Sydney or Brisbane teams must be shown into their local city on free-to-air television. When this occurs, Foxtel will show one other match in substitute in those cities.

Games will be selected by the free-to-air broadcasters six weeks in advance of the round to be played. For example, for round seven, the broadcasters will choose their matches on the Monday (March 25) before round one. It is important to note that the broadcast process has no effect on the day or venue for AFL matches.

All AFL finals will be telecast by Network Ten, either live or on delay, and Network Ten will broadcast the Brownlow Medal count in 2002, 2004, and 2006, with the Nine Network showing the count in the other years.

Foxtel also has the right to replay all matches subject to certain conditions.

It is expected that regional viewers will see at least as many AFL matches on free-to-air television in 2002 as they have in previous years, and at similar times. Regional viewers will also be able to access games on pay-TV via regional pay television carriers.

All matches will be available for webcasting on delay, on afl.com.au or on a club website.

GRAND FINAL ACTION: Last year the Brisbane Lions, with stars such as Darryl White leading the way, won the AFL Grand Final. The 2002 Grand Final will be shown live on Network Ten.





Consumer products

The AFL Consumer Products division built a strong platform for growth in 2001. The AFL's 'Best Partners' philosophy means that the department enters 2002 with a group of licensees who are brand or market leaders in their own right.

Products licensed by the AFL and branded AFL continue to be highly sought after. As a result, the AFL is consistently approached for new licences for a vast array of consumer products.

By optimising the quality of AFL licensed partners, the ongoing success of the program is enhanced.

Current licensees will work with the consumer products team to deliver authentic, relevant, innovative and accessible products that will make a sustainable contribution towards building support for and identification with AFL football.

Greater control over all aspects of the AFL's product mix delivered significant results in 2001. Specifically:

- stronger distribution disciplines have resulted in a greater share of AFL consumer product sales via AFL club merchandise stores.

Thirteen of the 15 AFL club-operated stores achieved sales growth in 2001. This increased merchandising activity resulted in a greater return to clubs. More broadly, controlled distribution ensures continued support from key national retailers such as Rebel Sport, Kmart and AFL Stores and this is crucial for sustainable growth.

- a focus on more authentic and relevant products builds the AFL's status as an elite national sports competition. New products include Acclaim's AFL Management computer game, Australian Football Video's AFL matches on DVD, Harper Collins' Mark Bickley biography and Glowzone's internet-based AFL fantasy game. These products build on the AFL's reputation for innovation, are entertaining and have genuine educational value.

The investment by major sports brands such as adidas, Fila, Nike, Puma and Russell Athletic in AFL apparel, club sponsorships and AFL Auskick grew in 2001 and resulted in a strongly branded and authentic AFL apparel offer.

The AFL Consumer Products team was pro-active in showcasing product offers via a number of special features in the *AFL Record*, joint advertising campaigns with Rebel Sport, Kmart, AFL Stores and Rowe and Jarman, as well as with the Christmas TV campaign.

A sustained focus on delivering an authentic, well-branded program through partnerships with market and category leaders will drive sales and revenue growth in 2002. This growth will come from increased retailer support (already evident from new partners such as Australia Post), innovative new products (such as electronic games for Playstation II and

Microsoft X Box) and new strategic partnerships (such as the AFL's new licensing agreement with News Limited).

These initiatives will continue to drive a consumer products business which actively contributes to the broader AFL goals of building participation in grassroots football nationally and promoting public interest in the game by building the strongest consumer brand position in Australian sport.

Commercial media and publications

New business will continue to be sought in film and publishing through relationships developed between the AFL and AFL Films and AFL Publishing.

During 2001, the AFL reached an agreement with AFL Publishing for it to produce all AFL publications from 2001 to 2005. The publishing needs of the AFL have grown enormously in recent years, particularly in Game Development through AFL Auskick and talent identification programs, and through the AFL Communications Department.

The *AFL Record* started 2001 with a new look, a new design and new content, confirming its position as Australia's leading sports magazine/game-day program.

The *AFL Record* is much more than a program, a position confirmed by strong consumer and advertising sales during 2001. Although revenue from advertising sales was down during the season, a number of new advertising relationships were formed in support of the AFL's major sponsors.

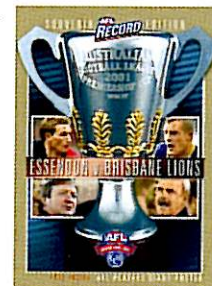
There were 29 editions of the *AFL Record* in 2001, including a special edition produced for the International Rules Series against Ireland in October.

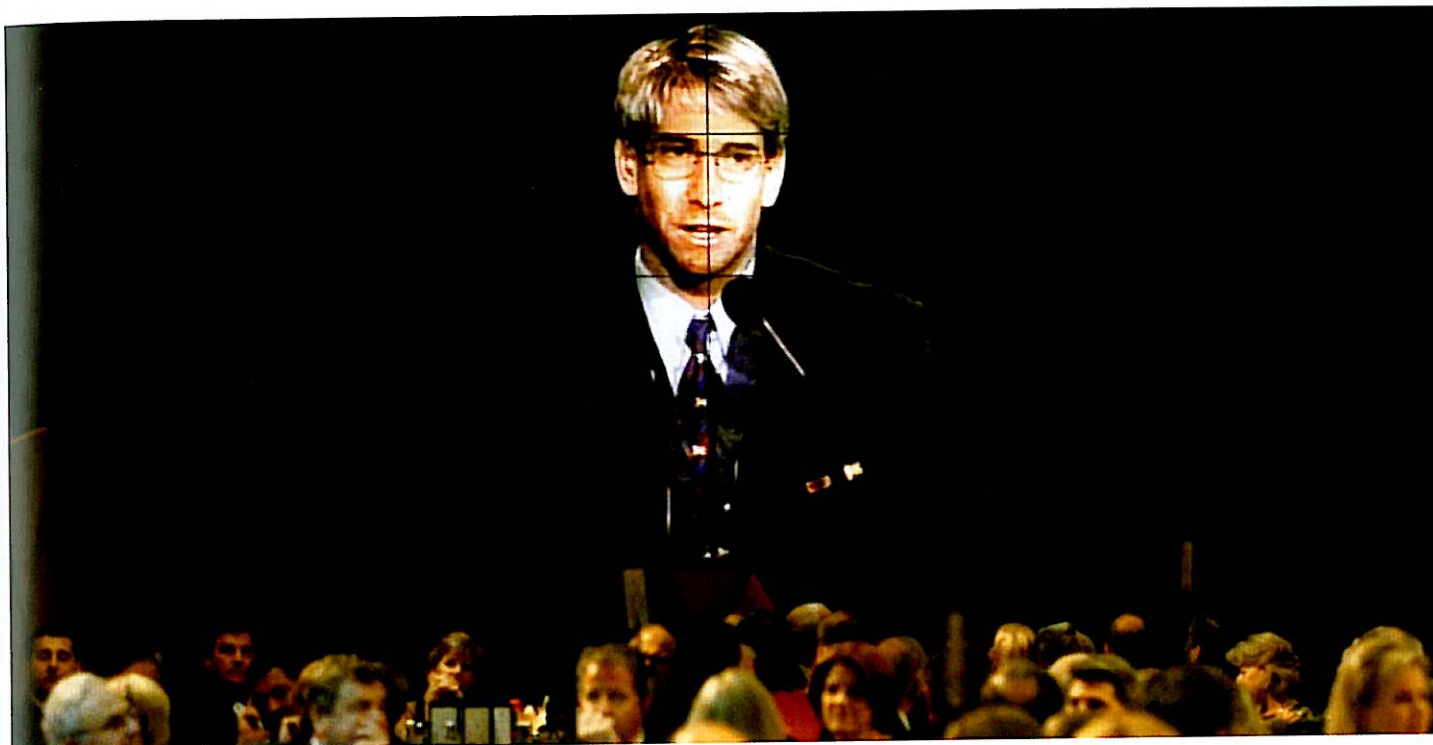
The price rose marginally to \$3 (including GST) but stayed well below that of similar programs and magazines produced by other sporting bodies. The *AFL Record* Grand Final souvenir edition sold just under 44,500 copies at the game in 2001, plus almost 60,000 copies at newsstands nationally.

This is an extraordinary result, with almost one in two of those attending the big game purchasing the souvenir *AFL Record*. Great potential exists to extend sales of the newsstand edition, and to develop other publications – books and magazines – around the AFL Game.

Advertising in the *AFL Record* was managed by Cameron Media Sales in 2001, but will come under AFL Publishing control in 2002.

Photographs were provided by Allsport under a new contract between the AFL and Allsport's parent body, Getty Images. This contract expires in 2004.





MAJOR EVENT: The Brownlow Medal dinner was again one of the AFL's social highlights of the year. Jason Akermanis was a popular winner.

AFL Films

On behalf of the AFL, AFL Films manages under licence, the AFL Film Library. Copyright belongs to the AFL.

AFL Films also produces the international AFL highlights package, *Foster's Aussie Rules*, which is broadcast in more than 50 countries worldwide. These 50-minute and 100-minute highlights programs showcase the AFL game weekly on networks such as Fox Sports World in the US, B-SKY-B and Channel 5 (UK) and Canal+ (Spain). ABC Asia-Pacific (formerly Australia TV, and broadcast through 20 countries in the Asia-Pacific region), will be showing weekly three AFL matches on delay in 2002, plus the 50-minute highlights program.

News Limited has exclusive rights, from 2002 to 2006, through Fox Sports International to distribute AFL vision in international markets to international television networks.

New media/e-commerce

A wide-reaching strategic plan aimed at developing e-commerce and new media opportunities for both the AFL and the AFL clubs was implemented in 2001.

This process will ensure that all clubs gain maximum benefits from new media – in both financial terms and in their capacity to communicate with their supporters.

From 2002, *afl.com.au* will be re-launched under a five-year deal with Telstra, including 16 AFL club sites.



The website was launched in 1998 as a partnership between the AFL, News Limited and the Seven Network. The four-year agreement expired at the end of 2001.

During its final year as part of the AFL, the News Limited and Seven Network joint venture, *afl.com.au*, was redesigned and re launched before the 2001 season.

afl.com.au maintained its position as the top-ranked sports website in Australia during 2001, recording a peak of 650,000 unique visitors in one month.

Events and entertainment

One of the most exclusive events on the social agenda each year – the Brownlow Medal dinner – again set the benchmark for black-tie functions in 2001. More than 1400 guests attended a glamorous evening at the Palladium Room at Crown in Melbourne on the Monday night of Grand Final week.

The Australian Football Hall of Fame dinner, also a black-tie function, was another exclusive and successful night on the social and sporting agenda. Held in the Plaza Ballroom at the Regent Theatre in Melbourne and attended by 400 guests, the dinner saw the induction of eight new players into the Australian Football Hall of Fame and the naming of a new Legend, Barrie Robran.

Other events held throughout the year included the Season Launch dinner, the 200 Club induction dinner, the AFL Media Association awards dinner, the AFL Life Members' dinner and the AFL Grand Final umpires' dinner.



AFL Membership

AFL Membership retained its position as one of Australia's leading sporting memberships in 2001, with members enjoying the varying and flexible benefits on offer.

AFL Membership reached more than 50,600 in 2001. Of this total, 39,241 opted for a Club Support package, which resulted in more than \$3 million being distributed to the clubs.

AFL Membership continued to offer great value in 2001. Full and restricted members were able to attend pre-season competition matches, up to 30 matches at the MCG, Colonial Stadium and Optus Oval and designated matches in the first two weeks of the finals series. Full members could access preliminary and Grand Final tickets.

In 2001, Grand Final tickets were allocated according to a new three-tiered system. This involved a telephone ballot followed by preferential purchasing for competing club support members. Remaining tickets then went on sale to full members.

While the ballot did not please everyone, the AFL is satisfied that all members who wanted to attend the Grand Final had the opportunity to do so.

Throughout the year, the AFL

conducted an exhaustive research study into AFL Membership through a series of focus groups and questionnaires sent to 4000 members selected at random.

This study, the largest ever undertaken in relation to AFL membership, included questions on the allocation of Grand Final tickets and reserved seating at the MCG. The results have shaped our 2002 Customer Management Plan and 2002 membership packages.

The amalgamation of the Tom Wills Coterie and the AFL Premiership Club was finalised in 2001 and a total of 197 members made up the newly merged group. Each package was sold for \$4500 and offered a prime seat plus guaranteed access to every match at the MCG and Colonial Stadium, including the AFL Grand Final. It also included exclusive access to the Tom Wills Dining Room at the MCG and access to all major AFL functions.

In addition to the management of AFL membership, the department liaises with clubs to develop concepts and programs to grow club membership. This is a vital role, ensuring that AFL membership – either with the AFL or with AFL clubs – is one of the most valuable in Australian sport.



LEADER: Ben Cousins was a star for West Coast Eagles in 2001. The Eagles continued to have a strong membership base with 38,649 members behind only Adelaide (42,014) on the AFL club membership list.

AFL Membership 2001

| Packages | No of Members | % of Total |
|-----------------------------|---------------|-------------|
| CLUB SUPPORT PACKAGE | | |
| Full Members | 24,316 | 48.00% |
| Restricted Members | 14,925 | 29.46% |
| COMPETITION PACKAGE | | |
| Full Members | 5507 | 10.87% |
| Restricted Members | 1121 | 2.21% |
| AFL Premiership Club | 197 | 0.39% |
| ABSENTEE | | |
| Full Members | 3113 | 6.14% |
| Restricted Members | 1481 | 2.92% |
| TOTAL | 50,660 | 100% |

AFL Membership 2000/2001

| Membership | Gender | 2000 | 2001 |
|------------------|-----------------|---------------|---------------|
| AFL Full | (Male & Female) | 25,256 | 23,843 |
| AFL Full | (Junior) | 1779 | 1521 |
| AFL Full Country | (Male & Female) | 4317 | 4257 |
| AFL Full Country | (Junior) | 243 | 208 |
| AFL Restricted | (Male & Female) | 11,436 | 11,661 |
| AFL Restricted | (Junior) | 3442 | 4379 |
| Absentee Members | | 5714 | 4594 |
| Premiership Club | | N/A | 197 |
| TOTAL | | 52,187 | 50,660 |

AFL Clubs: Membership as at June 18, 2001

| Club | Adults | Concessions | Juniors | Total Members at 18/6/2001 | Total Members at 5/6/2000 | % Variance |
|-------------------|----------------|---------------|---------------|----------------------------|---------------------------|-------------|
| ADELAIDE | 37,389 | 2853 | 1772 | 42,014 | 42,896 | -2.1% |
| BRISBANE LIONS | 15,029 | 1679 | 1622 | 18,330 | 20,295 | -9.7% |
| CARLTON | 18,920 | 3041 | 5764 | 27,725 | 27,571 | 0.6% |
| COLLINGWOOD | 21,471 | 2951 | 7033 | 31,455 | 28,932 | 8.7% |
| ESSENDON | 25,917 | 4003 | 6307 | 36,227 | 34,278 | 5.7% |
| FREMANTLE | 16,847 | 1739 | 5312 | 23,898 | 24,925 | -4.1% |
| GEELONG | 17,723 | 3363 | 4334 | 25,420 | 25,595 | -0.7% |
| HAWTHORN | 20,495 | 3444 | 6201 | 30,140 | 26,879 | 12.1% |
| KANGAROOS | 17,470 | 2037 | 3433 | 22,940 | 22,156 | 3.5% |
| MELBOURNE | 14,988 | 2379 | 4042 | 21,409 | 18,227 | 17.5% |
| PORT ADELAIDE | 29,037 | 2028 | 2231 | 33,296 | 34,925 | -4.7% |
| RICHMOND | 18,460 | 2474 | 5567 | 26,501 | 26,869 | -1.4% |
| ST KILDA | 15,663 | 1983 | 4602 | 22,248 | 17,855 | 24.6% |
| SYDNEY | 21,273 | 3120 | 3629 | 28,022 | 30,177 | -7.1% |
| WEST COAST EAGLES | 29,915 | 4079 | 4655 | 38,649 | 38,868 | -0.6% |
| WESTERN BULLDOGS | 12,336 | 2421 | 4328 | 19,085 | 18,056 | 5.7% |
| TOTAL | 332,933 | 43,594 | 70,832 | 447,359 | 438,504 | 2.0% |
| Average | | | | 27,960 | 27,407 | |

AFL Membership Club Support Packages

| Club | Adults | Concession | Juniors | TOTAL | % of Total Club Support |
|-------------------|--------------|-------------|-------------|--------------|-------------------------|
| ADELAIDE | 397 | 62 | 65 | 524 | 1.34 |
| BRISBANE LIONS | 454 | 79 | 66 | 599 | 1.53 |
| CARLTON | 4281 | 654 | 791 | 5726 | 14.59 |
| COLLINGWOOD | 5520 | 721 | 979 | 7220 | 18.40 |
| ESSENDON | 5592 | 897 | 1292 | 7781 | 19.83 |
| FREMANTLE | 17 | 2 | 1 | 20 | 0.05 |
| GEELONG | 2264 | 324 | 389 | 2977 | 7.59 |
| HAWTHORN | 1663 | 275 | 246 | 2184 | 5.57 |
| KANGAROOS | 1610 | 177 | 262 | 2049 | 5.22 |
| MELBOURNE | 1458 | 277 | 328 | 2063 | 5.26 |
| PORT ADELAIDE | 63 | 3 | 7 | 73 | 0.19 |
| RICHMOND | 2727 | 304 | 487 | 3518 | 8.97 |
| ST KILDA | 1840 | 255 | 415 | 2510 | 6.40 |
| SYDNEY | 492 | 79 | 58 | 629 | 1.60 |
| WEST COAST EAGLES | 85 | 15 | 17 | 117 | 0.30 |
| WESTERN BULLDOGS | 940 | 147 | 164 | 1251 | 3.19 |
| TOTAL | 29403 | 4271 | 5567 | 39241 | 100.00 |



