

**OFFICIAL REQUEST FOR PROPOSAL FOR THE MASTER LICENSEE RIGHTS OF  
CONMEBOL COPA AMERICA 2019**



**- CONMEBOL -  
COPA AMERICA  
BRASIL 2019**

**BID DUE BY November 6<sup>th</sup> 2018 AT 17:00 BRAZIL TIME**

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## 1. INTRODUCTION

### 1.1. CONMEBOL

The CONMEBOL South American Football Confederation is a non-profit civil association, composed of 10 national football associations based in South America – Argentina, Bolivia, Brazil, Chile, Colombia, Ecuador, Paraguay, Peru, Uruguay and Venezuela. All of them are represented in the different bodies of the entity that meet in a Congress, which is held every year in an ordinary manner, between the months of January to April. The 10-member associations are on a level of equality and balance among themselves, and make up the COUNCIL of CONMEBOL, being represented in it by their respective presidents.

The associations of Argentina, Chile, Uruguay, and Brazil are founding members of CONMEBOL.

In 9 of the 10 countries that make up CONMEBOL, soccer is the number one sport in terms of popularity nationwide. Nine associations have participated at some point in the World Cup, and ten have organized major continental competitions such as the Copa America or the U-20 Youth Championship of America.

Uruguay had the responsibility and honor of hosting the first World Cup, the world's most renowned football competition, which was also hosted by Brazil, Chile, and Argentina. In 2014, after 36 years, the World Cup returned to South America, with Brazil as its host.

CONMEBOL treasures its 9 World Cups and 10 U-20 youth championships, 3 world titles in U-17, 4 in futsal, 5 in beach soccer; and other distinguished awards at the level of national teams and clubs.

In the FIFA rankings, three CONMEBOL member association national teams among the top 10 teams in the world. Among the top 50, there are eight national teams from the Member Associations, and they are all represented among the 100 best in the world.

Its 10-member National Associations are the pride of CONMEBOL

### 1.2. Copa America Tournament

The Copa América is the oldest continental tournament in the world, being a sports competition organized by CONMEBOL in which its 10 (ten) national member associations participate, being able to include special guests.

With 103 years of existence, the 2019 Copa America in Brazil will be the 46<sup>th</sup> edition of the tournament. Historically, some of the best soccer players in the world have participated in Copa America, making the competition a highly-prestigious tournament attractive to millions of viewers worldwide.

### Copa America Brazil 2019

The 2019 edition, which will run from June 14<sup>th</sup> to July 7<sup>th</sup>, will be celebrated in Brazil and will see the 10 CONMEBOL national member associations being joined by Japan and Qatar, members of the Asian Football Confederation (AFC) for a total of 12 teams.

- 5 host cities, 6 venues:
  - Rio de Janeiro: Maracanã – 78,000
  - Belo Horizonte: Mineirão – 63,000
  - São Paulo: Morumbi – 67,000  
Arena Palmeiras – 42,000
  - Salvador: Arena Fonte Nova – 48,000
  - Porto Alegre: Arena Grêmio – 56,000

### Structure/format

The tournament consists of 4 phases: group stages, quarterfinals, semifinals, and the final.

The allocation of teams to groups will be done through a draw. The draw will see 3 heads of group, selected amongst all participants according to the FIFA rankings at the time of the draw. The 2<sup>nd</sup> slot of each group will be selected randomly from the following 3 best teams according to FIFA rankings. The 3<sup>rd</sup> slot of each group will be selected randomly from the following 3 best teams according to FIFA rankings. The 4<sup>th</sup> and last slot of each group will be selected from the remaining 3 teams. With a total of 12 participant national teams, the group stages will consist of 3 groups of 4 national teams, which will play on a Round Robin format.

The 1<sup>st</sup> and 2<sup>nd</sup> place of each group will go through to the quarterfinals. The 2 best 3<sup>rd</sup> places from the 3 groups will also go through to the quarterfinals. The seeding and matchups for quarterfinals will be decided during the draw to select group stage teams (i.e. 1<sup>st</sup> team from Group A to play 2<sup>nd</sup> best 3<sup>rd</sup>). The winner of each quarterfinal will advance to the semifinals. The winner of each semifinal will play the final, while the loser of each semifinal will place for the 3<sup>rd</sup> place on an extra game.

The winner of the competition will represent CONMEBOL in the 2021 FIFA Confederations Cup to be celebrated in Qatar. In the event that the winner of the competition is not a CONMEBOL

team, the best-performing south American team in the competition will be selected to represent CONMEBOL in the FIFA Confederations Cup.

The structure and format of the competition is subject to changes. If any, CONMEBOL will notify the bidders as soon as possible.

Exclusive agency appointed by CONMEBOL

Dentsu Inc, of 1-8-1 Higashi-shimbashi, Minato-ku, Tokyo 105-7001, Japan is the exclusive official agency appointed by CONMEBOL in order to conduct any bid processes, negotiations, and manage commercial relationships on behalf of CONMEBOL for the Copa America 2019.

## 2. PURPOSE

This document will serve to guide the candidates in the process of bidding on the rights to exclusive 'Master Licensee' of Copa America Brazil 2019.

In considering interested candidates (a "Bidder") for the grant of rights to exploit Copa America Brazil 2019 licensing rights, CONMEBOL's objective is to ensure that the most comprehensive range of products are available to fans in Brazil and South America, as well as the rest of the world. Specifically, these products should deliver sales volume, quality and a distribution network, that leads to record sales figures both in Brazil and outside of Brazil.

## 3. BIDDING PROCESS

### 3.1. Consideration of Candidates

This document defines a "Bidder" candidate as an organization that fulfills the following requirements:

- a) Has demonstrated capabilities and expert experience in the exploitation of licensing rights within Brazil and South America, led by strategic-minded senior leadership with a history of successfully exploiting licensing rights;
- b) Has an established office and CNPJ (National Register of Legal Entities) active in Brazil and has provided the services mentioned in Brazil for at least 1 (one) year;
- c) Has a point of contact 100% dedicated to the project, preferably based in Rio de Janeiro;
- d) Has a proven track record in football licensing brands in Brazil and South American markets and past experience in international soccer events;

- e) Has business relationship with major sports entities, such as CBF, AFA and CONMEBOL, among others;
- f) Has capacity of managing multiple contracts monthly via management system;
- g) Possesses the resources, with both a sufficient team of executives as well as the required economic means, to execute and support the exploitation of the Master Licensee rights, so that CONMEBOL's defined objective is accomplished;
- h) Is in healthy financial standing and holds solid financial backing, with an unquestionable ability to fulfil the economic commitments it agrees to;
- i) Has not been involved in litigation against CONMEBOL in the last five (5) years, either in its own name or as any director or shareholder;
- j) Does not, and its legal representatives and its shareholders do not, appear in the list of sanctions of the American Office of Foreign Assets Control (OFAC) or in the list of sanctions of the United Nations Organization (UNO); and
- k) Neither it, a member of its Group nor any director or shareholder of the Bidder or any member of its Group, have at any time been under investigation in respect of the indictment issued by the United States District Court, Eastern District of New York on 20 May 2015 in respect of United States of America against, inter alios, Alejandro Burzaco, Jeffrey Webb and Jack Warner and the superseding indictment issued by the United States District Court, Eastern District of New York on 25 November 2015 in respect of United States of America against, inter alios, Jack Warner, Nicolas Leoz and Aaron Davidson.
- l) By submitting a Bid hereunder, each Bidder confirms that it has read and undertakes to perform all the activities required in this Bid (and, if its Bid is successful, in the relevant 'Master Licensee Agreement' which is to be entered into by CONMEBOL and winning bidder, the "Agreement"), and at all times to observe the regulations, laws and legislation to combat kickbacks and corruption, including, but not restricted to, the Foreign Corrupt Practices Act (FCPA) (15 U.S.C. § 78-dd-1 and ff., in the amended version), the UK Bribery Act of 2010 and any other Act designed to fight bribery and corruption and about conflicts of interests which applies to the Bidder and/or CONMEBOL. In this regard, the Bidder further undertakes to not make or offer, directly or indirectly, payments, gifts, favours, entertainments, trips and/or donations to any employee, service provider, members of the board or the various committees, whether in the country, state and/or municipality, to political parties and/or to any candidate for political office under circumstances where that payment, gift, favour, entertainment, trip and/or donation amounts to an unlawful payment and/or was given to derive an unfair advantage or any benefit from a public authority or that employee, agent or representative.

### **3.2. Binding Nature**

- a) Any submitted Bid is binding and irrevocable for a period of ninety (90) days following the Closing Date. Each Bidder acknowledges that any matters not expressly commented upon within the relevant Bid are deemed accepted and in the event of acceptance of that Bid by CONMEBOL, are agreed by the Bidder for the purposes of drafting and negotiation of the Agreement.

### 3.3. Bid Requirements

Bidders must provide specific information as part of their proposals:

- a) License fee and payment terms:
- Royalty proposed (percentage) to CONMEBOL on Copa America Brazil 2019 sales of licensed merchandise products. Bank guarantee of up front royalties' payment are highly encouraged and will weigh for Bid winner decision;
  - All payments must be net of any deductions, withholding taxes etc., unless required by law, in which case the respective Licensee will pay the corresponding additional amount(s) so that the net amounts received (after all deductions, withholding taxes etc.) equals the amount stated in the corresponding Bid;
  - All amounts to be specified in United States Dollars;
- b) Sales Forecast
- Expected total sales revenue on the Copa America Brazil 2019 licensing operation;
- c) Timeline
- Simple line with date and order of objectives and outcomes that will happen;
- d) Management and production
- Project management: style guide, sales material, promotion campaign, brand registration, premiums catalog to sponsors, tradeshows, promotions, policy setting for licensee selection, licensees' management
  - Strategy for official song and videoclip development
  - Strategy for mascot production for licensing purposes
  - Distribution channels development: Traditional Retail / Non-Traditional, E-Commerce, Airports, Airline Magazines, Catalog, DTR, Stadiums, Fan Fest, Fast Food and Stores in Stores + Corners in Shopping Malls
  - Management of sales in-stadium during the matches, as well as the installation of temporary facilities (booth/stand) where necessary

- Development of a sales and distribution strategy and sales activities including licensee prospection, debt collection, licensing agreements, negotiation, and conclusion of a sales administration process
- Post-sales and on-site client servicing: online catalogue 24/7 access portal to licensed products.

#### 4. SUBMISSION RULES

##### 4.1. Procedure and Timeline

The ‘Bidding Process’ will start on October 23th, 2018 and will end on November 6th, 2018 at 17:00 BRA time (the “Bidding Period”). During the 2-week Bidding Period, Dentsu will conduct meetings with potentially interested parties to address any questions that prospective Bidders may have.

Once the Bidding Period starts, any potentially interested Bidder may contact Dentsu at the e-mail address [pedro.fraga@ca2019.org](mailto:pedro.fraga@ca2019.org) with a copy sent to the email address [tenderca2019@conmebol.com](mailto:tenderca2019@conmebol.com) to request a copy of the ‘Bid Submission Form’.

Upon receipt of the Bid Submission Form, Bidders should review and submit their respective Bids prior to the Deadline specified in the following paragraph. Bidders must submit their Bids electronically using the e-mail address [pedro.fraga@ca2019.org](mailto:pedro.fraga@ca2019.org) with a copy sent to the email address [tenderca2019@conmebol.com](mailto:tenderca2019@conmebol.com)

For the sake of clarity, all Bids must be received by no later than November 6<sup>th</sup> 2018 at 17:00 BRA time (the “Deadline”), in order to be considered.

	October										November					
	23	24	25	26	27	28	29	30	31		1	2	3	4	5	6
Start of bidding process	X															
Q&A for potential bidders											X					
Submission deadline 17:00 Brazil time																X

##### 4.2. Submission

**Language**

The Bid Submission form submitted by the Bidders must be written in English.

**Delivery**

Bidders must submit their Bids electronically in a pdf format file using the e-mail address [pedro.fraga@ca2019.org](mailto:pedro.fraga@ca2019.org) with a copy sent to the email address [tenderca2019@conmebol.com](mailto:tenderca2019@conmebol.com)

**General provisions**

The Bid may not contain any material deviations from the information outlined throughout this Request for Proposal.

**Own Costs**

Each Bidder is responsible for all costs, expenses and liabilities incurred by it or by any third party who assists the Bidder in the preparation of its Bid and in any subsequent stage of the Bidding Process (including in any negotiations with CONMEBOL) following submission of its Bid (whether or not an agreement is entered into with such Bidder). CONMEBOL will in no circumstances be liable for any such costs, expenses or liabilities incurred by a Bidder relating to this Bid or the preparation, negotiation, contracting or execution of any Agreement or contract.

**No Grant of Rights**

This Bidding Process does not, and is not intended to, constitute a contract or an offer which is in any way capable of acceptance. Nothing in this Request for Proposal or in any materials provided by CONMEBOL, either with this Request for Proposal or during the Bidding Process, shall be construed as a grant (or an offer, agreement or an obligation to grant) by CONMEBOL of any licence, assignment or other right in or to any intellectual property rights which are the property of CONMEBOL or licensed to CONMEBOL by third parties nor a grant or any obligation or agreement to grant to any Bidder any rights nor any appointment of Bidder as Master Licensee in relation to the Copa America 2019.

**4.3. Evaluation and Selection**

CONMEBOL's commercial agent for the competition, Dentsu, will review and evaluate all Bids that have been received during the Bidding Period and prior to the Deadline, while taking into consideration numerous factors, all of which will be aimed at fulfilling the key objectives outlined in this Request for Proposal ("Key Objectives"). Upon a thorough review of the Bids received, Dentsu may request additional information and/or follow-up meetings with certain Bidders. Thereafter, CONMEBOL will make its decisions on the Bid(s) based on

recommendations issued by Dentsu and based on the most advantageous proposal and which are considered to have the best capabilities of achieving the Key Objectives.

For the sake of clarity, CONMEBOL may accept or decline any Bid for any reason and shall be under no obligation to provide, publicly or privately, any explanation for its decisions.

#### **4.4 Final Agreement**

If a Bid submitted in response to this Bid is successful, CONMEBOL will notify the relevant Bidder in writing accordingly. Thereafter, CONMEBOL will issue to the relevant Bidder a draft long form of the Agreement reflecting the accepted terms of the relevant successful Bid together with CONMEBOL's required terms and conditions for the provision of the applicable master licensee services. Bidders should note, in particular, that CONMEBOL's required terms and conditions will include each of the mandatory and non-negotiable terms included in this Request for Proposal.

### **5. LEGAL**

The following shall apply both to this Request for Proposal and the Bid Submission form (collectively the "Documents")

#### **5.1 Interpretation:**

- a) The titles of the sections of the Documents are used to facilitate reading only and may not influence the interpretation of the Documents.
- b) When the singular is used in each expression, it also encompasses the plural and vice versa when the text so requires or permits.
- c) Unless the context requires otherwise, every reference to a "person" encompasses the reference to every company, business, entity, or person or group of persons, physically or morally.

#### **5.2 Terms and Conditions**

- a) CONMEBOL reserves the right at any time as it sees fit to, among other things:
  - make any change or clarifications to the text (including the deadlines) of the Documents or other addenda, including, without limitation, altering the nature of the Purpose or any of the requirements of this Request for Proposal;
  - modify the Bid Process including, without limitation, having additional rounds of bidding, inviting and permitting Bids in such additional rounds from parties who did

not bid in earlier rounds. In the event that CONMEBOL holds additional rounds of the Bidding Process, a Bidder's best offer, as determined by Dentsu, from the earlier round(s) shall remain valid, binding on the Bidder and open for CONMEBOL to accept unless and until it is superseded by an improved (as determined by Dentsu) Bid from such Bidder;

- stop or suspend the current procedure or decide not to license the rights to exclusive Master Licensee;
  - indicate that CONMEBOL will re-open the market in a certain period for identical or changed rights to exclusive Master Licensee;
  - Select a short-list of bidders and enter into direct negotiations with such selected Bidders; or
  - proceed with individual negotiations with the interested Bidders or third parties for the exploitation of all or a portion of the Master Licensee rights contained in the Documents.
- b) Regardless of the result of the Documents, the interested Bidders may not seek compensation, reimbursement of expenses, and/or costs they incurred during the preparation, participation, and submission of their Bid(s) and they shall be responsible for any such expenses or costs themselves. The foregoing shall apply even in the event that CONMEBOL chooses to alter the Documents or Bidding Process in any way or to cancel the Request for Proposal in whole or in part.
- c) Each Bid that is submitted to CONMEBOL may not thereafter be altered and/or revised unless otherwise permitted in writing by CONMEBOL and on such terms and conditions as CONMEBOL may, in its sole discretion, stipulate. Any permitted alterations and/or revisions to a Bid (or any part thereof) shall not in any way replace or supersede such Bid (or the relevant part thereof) unless otherwise accepted by CONMEBOL in writing.
- d) By requesting the Bid Submission form from CONMEBOL and/or submitting a Bid Submission form to CONMEBOL each Bidder warrants, represents and undertakes to CONMEBOL that:
- all information contained in its Bid(s) will be complete and accurate in all respects and shall not be false or misleading; and
  - if, following submission of its Bid(s), there are any changes in such Bidder's circumstances that may affect any of the information contained in the Bid, the Bidder shall promptly notify CONMEBOL in writing setting out the relevant details in full.
- e) If CONMEBOL considers that any Bidder is, or may be, in breach of paragraph 5.2(d), CONMEBOL shall, without prejudice to any other rights or remedies that may be available to

it, been entitled to withdraw from any discussions or negotiations with such Bidder and/or to reject its Bid(s), in each case without any requirement to give such Bidder any notice and without liability on the part of CONMEBOL to such Bidder.

- f) The Documents (including all documents referred to herein and all related communications made by CONMEBOL or Dentsu or its associates or their respective sales representatives, employees or representatives) is no more than a request for proposal for Master Licensee rights and does not confer any rights to, create any legally binding agreement with, nor constitute an offer that is capable of acceptance by, any entity or recipient of the Documents with regards to the Master Licensee rights.
- g) The Documents are provided solely by way of explanation only and do not contain any warranties, representations or undertakings whatsoever upon which any person may rely, or seek to initiate or substantiate any legal action, against CONMEBOL and/or its associates or their respective agents, employees and/or representatives. To this end, all dates referenced herein are indicative only and CONMEBOL expressly reserves the right to amend any date herein without first consulting and/or notifying any bidder and without incurring any liability whatsoever.
- h) Each Bidder agrees to keep confidential and agrees to ensure that its professional advisors also keep confidential, all matters relating to this Bidding Process. Each Bidder shall not disclose to any person any information in whatever form (including written, oral, visual or electronic) relating directly or indirectly to the contents of the Documents, its Bid(s), and all correspondence, communications, discussions or negotiations between CONMEBOL and the Bidder in relation thereto.
- i) Each Bidder shall not make any press announcement or other statement relating to the Documents and/or its Bid(s) without the prior written consent of CONMEBOL.
- j) Intellectual Property (Bids and Materials)

All rights, title and interest (including but not limited to copyright) in and to this Request for Proposal and any materials provided by CONMEBOL to any Bidder or prospective Bidder are and shall remain the exclusive property of CONMEBOL.

Once received by CONMEBOL, each Bid document (and the physical media upon which it is recorded) shall become the physical property of CONMEBOL. Irrespective of whether any Bid is successful or not, CONMEBOL shall be freely entitled to use (free from any payment or restriction) all ideas, concepts, proposals, recommendations or other materials (save for

trademarks and third-party copyright materials) contained in such Bid or otherwise communicated to CONMEBOL during the Bidding Process. The Bidder waives any right it may have and shall not make any claim against CONMEBOL in respect of any use made by CONMEBOL and/ or Dentsu of any intellectual property or other similar rights relating to the ideas, concepts or any other materials (save for any trademarks or third party copyright materials) contained in its Bid documents.

k) Intellectual Property (Assignment by Bidder of ownership of COPA America archive footage)

By submitting a Bid in response to this Request for Proposal, the Bidder assigns to CONMEBOL, free of charge, (including where applicable by way of present assignment of future rights) all legal and beneficial rights, title and interest (including but not limited to copyright and all other intellectual property rights) which it may from time to time have had or have acquired or held throughout the world in and to any footage of any previous edition of the CONMEBOL Libertadores, CONMEBOL Sudamericana and CONMEBOL Recopa originally produced by it (including any and all rights to transmit, re-transmit and/or otherwise make available the same) whether vested, contingent or future, free of all liens and encumbrances for the full period of such rights therein (including any and all extensions, reversions and renewals thereof) or, to the extent that such assignment does not take effect in any jurisdiction, to hold the same unto CONMEBOL absolutely.

CONMEBOL agrees and acknowledges that, if applicable, notwithstanding CONMEBOL's ownership of any such archive footage so assigned by the Bidder, the Bidder shall have the non-exclusive right, royalty-free right in perpetuity to continue to use such assigned archive footage on its media distribution services.

l) This Bid and any related documentation, correspondence and any agreement entered into between CONMEBOL and any Bidder shall be governed by, and construed in accordance with, the laws of Switzerland. Any and all disputes arising in relation to this Bid or the Bidding Process shall be submitted exclusively to the Court of Arbitration for Sport in Lausanne, Switzerland ("CAS"). Any such dispute so referred to CAS will be resolved definitively in line with the then current CAS arbitration code (as at the date of this Request for Proposal referred to as the 'Code of Sports-related Arbitration'). The panel will be made up of three arbiters. The language used in the arbitration will be English and the final award will be binding on the parties.

ADDENDA LIST

SCHEDULE A Copa America Brazil 2019 Brand



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