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GLITZ VS PERSONALITY

Formula One's Asia race

BY FRASER HOWIE

Later this month, the Formula One (F1) circus will roll into China's financial capital for the seventh annual Shanghai Grand Prix. It will be one of six races to be held in the Asian time zone this season.

The world's most expensive sport is looking for growth outside its traditional centre in Europe, and Asia is the key new market. Whether Asia will live up to the dreams of the F1 bosses is another matter.

F1 has a long history in some parts of Asia. Japan's Suzuka circuit dates to the early 1960s, and the Japanese fan base rivals that of many countries in Europe. Japanese drivers and constructors are established. Malaysia lacks that tradition, but it hosted the first F1 race in Asia outside of Japan in 1999.

Lately, however, Asia has wit-

nessed a new phenomenon: Hosting an F1 race has become a status symbol to display growing economic clout. Many locations with no history of motorsport have spent millions of dollars to build circuits and buy rights to hold major races.

Consider Singapore, which in 2008 hosted its first F1 event. The city-state spent 150 million Singapore dollars (\$107 million) for the right to host a "grand prix" event for five seasons, with the Singapore Tourism Board contributing 60% of the money and the rest coming from private enterprise.

But these successes haven't arisen from the growth of a local market for F1, so much as from Asia's ability to cater to fans in Europe. The evening race times fit afternoon European television schedules for the established audience. Sparking greater Asian interest in F1 will be

the key to transforming the region into a profit centre for the sport rather than merely an exotic locale for the races Europeans watch.

In this regard, the race between China and India is interesting. China has taken a "build it (with government money) and they will come" attitude. The state-of-the-art Shanghai circuit, which opened in 2004, cost \$240 million and was built in only 18 months. The first event there became the most anticipated race of the season. State support was instrumental: The Shanghai government paid all the bills for circuit construction, supporting infrastructure and the \$50 million per year to host the race. The main sponsor was the state-owned oil company, Sinopec.

Yet local interest has been limited. The racing circuit is an inconvenient 30-odd km from the city cen-

tre. The cheapest grandstand tickets cost more than \$100 in a city where the average salary in 2008 was less than \$500 per month. Race organizers had to bus in spectators from the ranks of employees at local state-owned firms to make sure the stands looked full on television—and what little initial excitement there was has waned.

India's approach has predictably been more haphazard. It has yet to host a race, although a Delhi event is expected in 2011. But that hasn't stopped Vijay Mallya, the Indian equivalent of Richard Branson, from jumping in. Mallya bought a 50% stake in the Spyker team for €88 million (\$118 million) in late 2007 and immediately rebranded it as Force India.

F1 provides a global advertising platform for the larger-than-life Mallya, chairman of the United Breweries Group and Kingfisher Airlines, and owner of the Royal Challengers Bangalore cricket team. His lavish lifestyle is a source of endless press fascination, which in turn reflects onto his F1 team. Although F1 interest in India is in its

infancy, his involvement certainly has brought the sport more media attention. It hardly matters that he's probably losing money on the team (as, reportedly, do most owners, although the financial reports are always a closely guarded secret).

Mallya's F1 effort more closely resembles the successful formula in Europe—the collision of fast cars and big egos that gives fans excitement both on and off the track. China's mistake has been thinking a flashy track alone will do the trick. Because there are no Chinese personalities of Mallya's type in F1, the Shanghai race ends up being merely one weekend out of 19 in the racing calendar.

India is often thought to play runner-up to China when it comes to economic achievements. But at least in F1, China's trophy event may prove to be no match for India's podium finish.

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