

Cavs serve as launch pad for children's game

Sports Business Journal
By JOHN LOMBARDO
Staff writer

Published March 20, 2006 : Page 04

Cleveland Cavaliers owner Dan Gilbert has taken a decidedly lower profile during his second season of NBA ownership, but the Quicken Loans entrepreneur is now actively leveraging the Cavs to launch his latest business venture: a children's game.

Gilbert has partnered with a former Quicken Loans executive in developing a children's collectible card game called Xeko. The rollout of the product was set for last Sunday during the Cavaliers' nationally televised home game against the Los Angeles Lakers.

"One of the reasons why we wanted to buy the Cavs is the benefit of using the tentacles of a major sports franchise as the vehicle to launch other kinds of businesses and help other businesses we are involved in," said Gilbert, who last March bought the Cavaliers for \$375 million.

Gilbert declined to disclose how much he has invested in his half share of Xeko, which was developed by Amy Tucker, a former marketing director of Gilbert's Quicken Loans company. Part of the investment, however, is using the Cavaliers to launch and cross-promote the product via the team's in-arena and media assets.

The game sells for \$19.95. Gilbert is hoping Xeko will benefit from the popularity of the Japanese collectible card game Pokémon that was launched in 1996 and became a billion-dollar multimedia industry. Instead of selling collectible cards of monsters, though, Xeko focuses on wildlife and geography. Team officials said the game will be sold in various national retailers after its Sunday debut in Cleveland.

The Xeko launch centered on one of the team's Cavaliers' Kids Day promotions. The cross-promotional plan included a product giveaway at last Sunday's game, scoreboard and LED signage, eight concourse Xeko promotional locations where kids can play the game, radio advertising during the game's broadcast and a Xeko T-shirt giveaway. The team has not decided on any future Xeko promotions.

"Cavs fans will be the first kids in the world to get their hands on Xeko, and that's a pretty cool treat to offer on Kids Day," said Tracy Marek, vice president of marketing for the Cavaliers.

Gilbert said he will continue to use his franchise to promote other unspecified business interests under development. It's a far different approach taken by Gilbert, who took a very public and controversial role with the franchise upon completing his purchase but has largely stayed in the background this season.

Since buying the franchise, Gilbert has hired a new coach (Mike Brown) and a new general manager (Danny Ferry). He has also renamed Gund Arena after his Quicken Loans financial services company and spent more than \$10 million in arena improvements, including new seats, a new scoreboard and new LED boards.

"Last year, I was forced in a public role and it was by default because there was no face to the organization," Gilbert said. "Now we got the right guys in the right spots."