In 1977, the Olympic Movement was in serious trouble. Two consecutive Olympic Games had ended in turmoil. In 1972, the world watched in horror as Palestinian terrorists broke into the Olympic Village, killed two Israeli team members, and took 11 others as hostages. The crisis ended only with the deaths of the hostages at the Munich airport.

Four years later, 22 African nations boycotted the Olympic Games. And, host city Montreal incurred a staggering debt estimated at $1.5 billion.

The situation was so dire that, as the International Olympic Committee (IOC) prepared to review bid proposals for the 1984 summer Games, only two cities contemplated hosting the event: Tehran, Iran, and Los Angeles. When Tehran decided to drop out of the bidding process, only Los Angeles was left to carry the flickering Olympic torch.

The 1984 Games were to be Los Angeles’ second Olympic Games – it had first hosted them in 1932 in the Games made famous by track star Babe Didrikson – but the ’84 Games would be radically different from any that had preceded them. Instead of being financed by the city of Los Angeles or the state of California – or, for that matter, by the United States – the Los Angeles Olympic Organizing Committee (LAOOC) and the United States Olympic Committee (USOC) assumed the entire financial risk and created the first privately-organized and -financed Olympic Games.

Doomsayers had a field day. International journalists scoffed that the Olympic Games would be so commercialized as to be unrecognizable. Many pundits predicted that, after the Soviet Union and 16 other countries announced their boycott of the Games, the athletic competition would be sub-par. Local critics warned that traffic problems and the area’s infamous smog would paralyze the region.

They were all proved wrong. A record 140 nations competed in a record 221 events in Los Angeles, up from 88 countries and 203 events in Montreal, and spectators thrilled to the wondrous talents of gymnast Mary Lou Retton, decathlete Daley Thompson, marathoner Joan Benoit, and sprinter Carl Lewis. Meanwhile, a well-conceived design scheme unified the city of Los Angeles during two weeks of athletic competition that were untouched by smog and uninterrupted by traffic problems.

Equally impressive were the organizational and leadership skills of the LAOOC. The so-called “no-frills Games” were directed by LAOOC president Peter Ueberroth, who eschewed the build-now mentality of the Montreal Games and instead relied heavily on existing facilities. With help from his right-hand man, Harry Usher, Ueberroth also harnessed spending costs while brokering unprecedented television and corporate sponsorship deals.

The result? An unprecedented athletic, aesthetic, and financial triumph, including a whopping $232.5 million surplus. Some 60 percent of those funds went to the USOC and the national governing sports bodies – money that has financed training programs in every Olympic sport.

The remainder of the surplus has been used to support youth sports in Southern California through the private, non-profit LA84 Foundation (formerly known as the Amateur Athletic Foundation of Los Angeles). Since its formation in 1985, the Foundation has spent more than $164 million in grants, scholarships and programming throughout Southern California. The LA84 Foundation also operates the nation’s premier sports library.
With the momentum generated by the Los Angeles Games, the Olympic Movement gained new-found energy and an organizational paradigm that would succeed into the new millennium. Today, more than 20 years after the 1984 Games, Los Angeles’ legacy has never been more apparent. A record nine cities bid for the right to host the 2012 Olympic Games, while more than 200 countries will compete in Beijing in 2008.

The legacy of 1984, according to Time Magazine’s William Oscar Johnson, was that “Los Angeles had breathed life into an expiring body, and the Olympics rose to become more robust with each passing Olympiad, no matter what other tensions surrounded it.”

How Los Angeles Won the Games

“The Olympic Games can no more lose money than a man can have a baby.”

So declared Montreal Mayor Jean Drapeau in 1971, soon after the Canadian city defeated Los Angeles and Moscow to win the right to host the 1976 Olympic Games. Drapeau misjudged badly, in part because much of the budget was slated for the construction of new facilities, including an athlete’s village, a swimming complex and an Olympic Stadium designed to become a lasting monument for Canada.

Instead, the stadium would become a symbol of disarray. Wrote historian Allen Guttman, “The estimated costs of $125 million were ridiculously off the mark; the Games actually cost nearly $2 billion and left the city of Montreal and the province of Quebec with burdensome debts.”

Montreal’s problems were just the latest in a long string of Olympic embarrassments. The 1968 Mexico City Games were marred by the deaths of dozens if not hundreds of demonstrators prior to the Opening Ceremony with student riots and deaths. The 1972 Munich Games are best remembered for the deaths of 11 Israeli team members – what has become known as the Olympic Movement’s darkest hour.

“People forget this, but the Olympics were in dire trouble after ’72 and ’76,” said director David Wolper, who had produced “Visions of Eight,” the official film about the 1972 Olympic Games.

The Olympic Winter Games were not immune. In 1970, the IOC awarded the city of Denver the right to host 1976 Olympic Games – an event that would have coincided with the nation’s Bicentennial. In 1972, however, Colorado voters passed a state referendum that prohibited the use of state funds to finance the Games. In an embarrassing move, Denver’s Olympic organizers were forced to withdraw their invitation to host the Games.

After the Colorado fiasco, there was talk that the Olympic Winter Games – what former IOC President Avery Brundage once described as the “Frostbite Follies” – would be eliminated.

The IOC eventually awarded the 1976 winter Games to Innsbruck, Austria, which had previously hosted the 1964 Olympic Winter Games. But the mood within IOC circles was pessimistic. According to IOC member Hein Verbruggen, “Some people were already predicting the demise of the Olympic Games and certain supranational organizations were on the look-out for the chance to take over the control of the organization of international sport.”

Into this maelstrom came Los Angeles. The city was well-known within the Olympic community for hosting the 1932 Olympic Games. Los Angeles won the right to host those Games in 1923.
Nine years later, despite the fact that the country was mired in the Great Depression, the city staged a successful Olympic Games, under the leadership of Los Angeles Athletic Club head William May Garland.

The refurbished Coliseum and the newly-completed swimming stadium next door were state-of-the-art facilities; other events took place at the Rose Bowl (cycling) and the Riviera Country Club (equestrian). Los Angeles introduced the concept of the Olympic Village (built in Baldwin Hills) and the athletes’ victory podium with medal ceremonies at the finish of each event. Meanwhile, women athletes proved their mettle in swimming, fencing, and track and field.

Some 1.25 million spectators attended the Games, purchasing $1.5 million in tickets. The Games returned a modest surplus – or just enough to retire the state of California’s $1 million bond issue that was passed by state voters in 1925.

In the afterglow of the 1932 Games, civic leaders had formed the Southern California Committee for the Olympic Games (SCCOG) in 1939. Over the next 39 years, SCCOG participated in every Olympic bid.

This included an offer to host the 1940 Olympic Games, originally awarded to Japan and then taken away after its invasion of China. (The 1940 Games were cancelled due to the start of World War II.) In 1947, the SCCOG bid for the 1952 Games, awarded to Helsinki. They also campaigned hard for the 1956 Games, awarded to Melbourne.

Then, local organizers ran into a Motown buzz-saw. For the next four Olympiads, Detroit was the USOC’s pick to represent the U.S. However, Detroit was unable to best Rome (1960), Tokyo (1964), Mexico City, or Munich.

Despite the setbacks, the SCCOG stayed busy. The committee ran the prestigious Coliseum Relays track meet; hosted various Olympic Trials; assisted the northern California community of Squaw Valley bid for and host the 1960 Winter Olympics; and even helped journalist Bill Henry publish a comprehensive history of the Olympics. For its efforts, the SCCOG was awarded the IOC’s highest honor: the Olympic Cup.

In 1967, Los Angeles Mayor Sam Yorty formed a committee to bid for the 1976 Games. Chaired by yachtsman John Kilroy, the “LA76” committee was the first to float the idea of private financing for the Olympic Games, funded primarily by television revenue. This was considered a revolutionary departure; previously, government subsidies formed most, and sometimes all, of the funding for the preparation and operation of the Games.

The “LA76” effort trumped Detroit’s, but Montreal defeated Yorty and Kilroy in front of the IOC in 1969.

In 1972, attorney John C. Argue took over leadership of SCOCOG. Argue liked to say that he was born into the Olympic Movement because he was born in 1932 – the same year that Los Angeles first hosted the Olympic Games. His Olympic connection didn’t end there: His father, J. Clifford Argue, had competed in the pentathlon at the 1924 Paris Games. (The elder Argue’s law firm represented Helms Bakeries, which supplied bread to the Olympic Village in 1932.)

In 1974, with backing from newly-elected Mayor Tom Bradley, Argue led the bid for the 1980 Games. Most pundits believed he was foolhardy. Having just chosen Montreal, the IOC would surely bypass North America.

Argue, however, was adamant. “I think that we can get the Games back to Los Angeles,” he said.

This time, Los Angeles was the only American city to petition the USOC for bid status. In front of the IOC, however, Moscow’s bid prevailed.

Los Angeles had demonstrated a gritty persistence to the international Olympic community. The defeat notwithstanding, the importance of the 1974 bid was that Los Angeles demonstrated its
ongoing interest in hosting the Games.

Four years later, Argue and Bradley were back. The central strategy of the bid for the 1984 Games was to use existing facilities — including the Los Angeles Coliseum and the Sports Arena — to avoid the catastrophic construction problems that Montreal endured. In an early letter to Bradley outlining the overall philosophy of the Games, Argue insisted that the Games would be “Spartan.”

“That was the key – not to incur heavy construction costs,” Wolper said.

On September 25, 1977, after every city but New York and Los Angeles had dropped out, the USOC selected Los Angeles by a vote of 55-39. Los Angeles was the U.S. choice for the third consecutive time.

Having maneuvered through the USOC, Argue now had to persuade the IOC to select Los Angeles. After Montreal, the IOC had passed “Rule 4,” requiring future host city and federal governments to contractually assume all financial liability for organizing and staging the Games.

Then, Los Angeles caught a break. In the days preceding the Iranian Revolution, Tehran encountered civil unrest. Tehran voluntarily withdrew from the bidding process, leaving Los Angeles as the only candidate before the IOC. (The same lack of interest affected the bidding for the 1980 Winter Games: Lake Placid was the only official candidate city.)

Despite the absence of competition, Argue knew that this was not going to be a slam-dunk. The SCCOG and the IOC began negotiations, and it was clear that the two sides were philosophically far apart. The IOC insisted that Los Angeles adhere to Rule 4 and assume the financial risk. But neither the citizens of Los Angeles nor the city’s government would commit to this.

This was underscored by two voter-approved measures. The first – known as Proposition 13 – was approved in April 1978. This constitutional amendment limited property taxes in California, severely reducing the amount of tax revenue the state received.

Later that year, the Los Angeles City Council voted to place a cost-control measure on the November ballot – known as Charter Amendment “N” – that prohibited the expenditure of city funds without a guarantee of reimbursement. Southern California voters approved the measure, with 74 percent voting in favor of “N.”

In the face of opposition to public spending, Argue and SCOOG reached into their pockets to keep the bid alive. The SCOOG made the initial deposit of $38,620 to the IOC. The group also raised additional funds from private sources to pay for travel and other expenses associated with the bid. Argue later estimated that the entire bid cost $200,000.
A stalemate ensued. In May of 1978, the IOC voted to award the Games to Los Angeles, but only conditionally. The IOC stated that Los Angeles had until July 31, 1978, to finalize the deal; otherwise, the IOC would seek other bids.

In May, Mayor Bradley was approached by Atlantic Richfield Vice President Rodney Rood, public relations executive Hank Rieger, and television producer David Wolper. According to Los Angeles Times reporter Kenneth Reich, the three persuaded Bradley to turn over the negotiations with the IOC to a private negotiating committee.

Bradley named a blue-ribbon committee consisting of Argue, Rood, Rieger, Wolper, Chamber of Commerce President Howard Allen, labor leader William Robertson, and industrialist Justin Dart to continue negotiations with the IOC. Known informally as the “Committee of Seven,” the group was a non-profit, private corporation that called itself the Los Angeles Olympic Organizing Committee (LAOOC). They agreed that Los Angeles would withdraw its bid if they were unable to guarantee that the city would not have to assume financial liability.

The group’s first order of business was to meet with the USOC and chart a fiscal course. In an important breakthrough, the LAOOC and the USOC agreed to jointly assume the financial risk of the 1984 Games. According to Allen, the final financial arrangement was “a 40-40-20” split, with the USOC taking 40 percent of the surplus (or loss), 40 percent going to the LAOOC for the development of amateur sports in Southern California, and the remaining 20 percent going to the national governing bodies of Olympic sports in the United States.

With the July deadline looming, the LAOOC began to negotiate directly with the IOC. To their dismay, the IOC continued to insist that the city of Los Angeles take full fiscal responsibility for the Games.

By now, Bradley had had enough. He drafted a letter withdrawing Los Angeles from the bid process and sent it to the City Council. He also informed IOC president Lord Killanin that Los Angeles was prepared to withdraw its bid unless the IOC changed its position about Rule 4.

Within 24 hours, IOC President Killanin agreed to extend the deadline and re-open negotiations. In August, the IOC voted to recognize the LAOOC and, according to Reich, “explicitly exempted the municipal government from any financial liability.”

On October 8, 1978, the IOC announced that it had approved the LAOOC bid, by a vote of 75-3.

Sensing that the IOC had no back-up, Bradley and his hardball tactics had worked. Said Wolper: “The IOC wanted a guarantee from the city of Los Angeles, but we wanted the Games on our terms. The IOC was stuck with us.”

The official agreement to host the Games was signed in the Roosevelt Room of the White House on October 20, 1978. Previously, only two cities had twice hosted the Olympic Games: Paris (1904, 1924) and London (1908, 1948).

Wolper credits Argue’s persistence. “He’s responsible for starting the bid and finishing it,” Wolper said. “The Games came here because of John Argue.”

With its approval of the LAOOC in a supervisory role, the IOC was gambling on an innovative concept: a privatized Olympic Games. In hindsight, this move proved prescient. According to Mayor Bradley, government interference would have meant “political posturing from the outset. Every action would have been questioned by somebody. We had as much opposition from elected officials and government representatives as we did from anybody else, and so it would have been a political circus, because of the nature of our system of government.”
I think the Games demanded a lot of quick decisions and a lot of executive action, and I don’t think you could have found that environment in government,” LAOOC chief of government relations David Simon told Reich. “I think you would have needed too many approvals for important actions, whether it would have been elected officials or just government departments.”

“If the city had put it on, we wouldn’t have had a surplus,” Wolper said.

With the IOC on board, the LAOOC established its organizational structure. The committee expanded its board of directors to 63 members, electing Argue as interim chair and attorney and Democratic Party power broker Paul Ziffren as interim secretary. The board consisted of a cross-section of local business, sports, civic, and entertainment leaders, including comedian Bob Hope; former Olympians Rafer Johnson, Parry O’Brien, and John Naber; Los Angeles Dodgers owner Peter O’Malley; Universal Studios chair Lew Wasserman; and former U.S. Congresswoman Yvonne Braithwaite Burke.

In the fall of 1978, the board hired the executive search firm of Korn-Ferry International to locate a chief executive. Several prominent “names” were tossed around, including NFL commissioner Pete Rozelle (who had worked at the Coliseum while serving as general manager of the Los Angeles Rams); former Secretary of State Alexander Haig; sportscaster Curt Gowdy; Los Angeles Herald Examiner publisher Frank Dale; Chrysler Chairman Lee Iacocca; and Edwin Steidle, the chairman of the board of May Company stores.

In March 1979, a meeting at the offices of the Citizens Savings and Loan Association, the executive committee of the board of directors voted for 41-year-old Peter Ueberroth, a little-known San Fernando Valley-based businessman, as CEO. Argue graciously stepped aside in favor of Ziffren as chair.

Three days later, the LAOOC began its effort. It was March 29, 1979 – exactly 1,951 days before the Opening Ceremony of the 1984 Los Angeles Olympic Games.

The Los Angeles Olympic Games

“Hiring Peter Ueberroth was the most important decision we ever made.” So said John C. Argue, long after the Los Angeles Olympic Games were declared a smashing success. At first glance, Ueberroth had seemed an unlikely choice. He was not an Olympic athlete, although he had been a top-notch water polo player at San Jose State and had attempted to make the 1956 Olympic team. He had no previous experience in sports business, although he had walked away from an opportunity to invest in a professional volleyball league.

What he had, according to those who worked closely with him, was the single-minded focus to pull off the LAOOC effort. He liked to say that “Authority is 80 percent taken and 20 percent given” – and he made no apologies for his hard-nosed attitude. According to Chamber of Commerce head Howard Allen, Ueberroth impressed the committee with “his intellect, his entrepreneurial spirit, his ability to organize…his tough, driving personality.”

Born in Illinois and raised in Northern California, Ueberroth first made his mark as the Hawaii-based manager of Kirk Kerkorian’s “non-scheduled” airline, Los Angeles Air Service. Ueberroth’s foray in the industry became his profession. Back on the mainland, he
settled in the San Fernando Valley in the early 1960s and started his own agency, first known as Travel International, later as First Travel.

Ueberroth proved to be a successful entrepreneur. Headquartered in Van Nuys, First Travel became the second largest travel enterprise in North America, thanks in part to Ueberroth’s purchase of Ask Mr. Foster’s Travel Services. By the mid-1970s, First Travel had 1,500 employees in two hundred offices around the world and was grossing more than $300 million a year.

Having conquered the travel-industry, Ueberroth was ready for another challenge. Although Ueberroth was considered a dark candidate, Wolper remembers being impressed with his acumen at their first meeting in 1973, when he and a few partners (including Wilt Chamberlain, Berry Gordy Jr. and Barry Diller) were seeking investors for their six-team International Volleyball Association.

“We asked him for advice, and he told us in detail how wrong we were about everything,” Wolper said. “I threw him out of the meeting. Unfortunately, we went broke in two years and his ideas were perfect.”

Wolper believes that Ueberroth’s experience as an entrepreneur meshed with the daunting challenge of organizing and running the Games. “We needed a self-starter,” Wolper said. “On that first day, it was just him and his secretary. He had to know how to build an organization.”

As Argue told Los Angeles Times reporter Kenneth Reich, “[Ueberroth] fit. He was young, healthy, vigorous. He was an entrepreneur. He’d built his own business and so he knew every department. He was heavy on negotiations. He knew accounting. He knew management. He had been down and dirty in every aspect of business.”

Ueberroth took the job knowing it presented an immense challenge. As he later wrote, “[We] had a good fix on the complexities involved and the magnitude of the task that lay ahead: to cut through all boundaries – geographical, political, religious, and cultural – and create bridges that would join all the participants of the Games for sixteen brief days.”

That did nothing to prepare Ueberroth for his first day on the LAOOC job. Arriving at newly-leased offices in Century City, he found that the locks to the doors had been changed.

After fixing the office situation, Ueberroth went to work, inspired in part by a famous quote from Winston Churchill that he hung in the LAOOC office: “Some see private enterprise as a predatory target to be shot, others as a cow to be milked, but few are those who see it as a sturdy horse pulling the wagon.”

Ueberroth’s first priority was to establish the overall strategy of the LAOOC. The set of principals included:

★ The LAOOC would try to avoid the building of any sports facilities.
★ All members of the Olympic Family would pay their own way to the Games in every regard.
★ There would be no governmental funding of any type.
★ Spending and staff size should be as constrained as possible for as long as practical.
His second priority was to generate enough revenue to pay for the estimated $450-500 million cost of the Games. He only knew where he wasn’t going to get money: from the city, state, or federal government, even though some 90 percent of revenue at the Montreal and Moscow Games had come from government sources. In addition, because lotteries in California were then illegal, he could not raise money that way.

Ueberroth approached the problem from an entrepreneurial viewpoint. He focused on raising money from three principal sources: television rights sales, commercial sponsorships, and ticket sales. Somehow, he wrote, “these revenue sources would have to produce at least 90 percent of all the funds required to run the Games.”

This translated into an eight-fold increase in these revenues from the previous three Olympic Games.

Where many pundits saw a tough sell, he saw opportunity. According to Ueberroth, many LAOOC board members estimated that the LAOOC would get “only $100 million for the TV rights.” He believed they were wrong, predicting that the sale of the TV rights was an untapped bonanza.

Wolper, who chaired the television committee, remembers that Ueberroth “pushed for more, more, more. He knew that, with the Games in the U.S., most of the events would be shown live, on prime-time. That’s a huge coup for the winning network because they can charge top dollar for sponsors.”

Their best bet was ABC-TV sports czar Roone Arledge, who had led the drive to expand television coverage of the Olympic Games in the 1960s and early 1970s. For the Montreal Games, ABC had paid $25 million for the TV rights, a substantial increase over the $7.5 million ABC had paid in Munich. Arledge was eager to regain the rights after NBC had interrupted his winning streak at the 1980 Moscow Olympic Games for $87 million.

As Ueberroth shopped the rights, his timing was excellent. The preliminary bid race involved not just the “Big Three” networks, but two recently-established companies – Tandem Communications, run by billionaire Jerry Perenchio, and a burgeoning cable network staked by Getty Oil and known as ESPN.

Ueberroth demanded that each company make a $750,000 refundable deposit to enter the bidding. By doing so, he determined the seriousness of their intent. Once the companies made the initial deposit, Ueberroth used the interest from the money for operating expenses.

Working with Argue, Wolper and LAOOC Marketing Director Joel Rubenstein, Ueberroth was convinced that the “worst-case scenario of potential ad revenues amounted to $300 million.” He pushed the networks ever higher, asking for an unheard-of $200 million. He also demanded that the host broadcast network provide facilities for visiting broadcasters, including equipment, broadcast booths, and an international broadcast center.

“People forget about this,” Wolper said, “but it was very important. That alone saved us another $50-75 million in costs.”

In early September 1979, at a dramatic meeting at Wolper’s home, the networks gathered to bid for the Games. Ueberroth won the day. Arledge and ABC agreed to pay a record $225 million for the broadcast rights, outbidding NBC, CBS, and Perenchio. One-third of the television revenue went directly to the IOC.

“Peter’s salesmanship. . .sold all the networks on going higher than they wanted to,” Argue said.

Again, Ueberroth negotiated to get a large chunk of this money up-front – including an initial payment of $40-million and approximately $160 million through the end of 1980 – to generate revenue. Wolper remembers that, with interests rates then approaching 20 percent, the LAOOC generated more than $75 million in interest revenue.

“We had ABC in the bank and lived off the interest income for two-and-a-half, three years, so that helped in the early stages,” LAOOC senior staffer Richard Sargent told Reich.

Sales of foreign television rights yielded an additional $61.8 million. The total take – approximately $286.5 million – was almost three times the amount collected in 1980.
Next, Ueberroth turned his attention to corporate sponsorships. This was not a new source of revenue, but past Olympic Games’ efforts had been haphazard. According to one report, organizers of the Moscow Games signed up 249 sponsors, suppliers and partners. Montreal had accumulated 628 sponsors.

The previous U.S.-based Olympic Games – the 1980 Lake Placid Olympic Winter Games – had produced “more than three hundred commercial sponsors, but . . . less than $10 million in cash,” Ueberroth commented. “That just wouldn’t work for us. So we set our sights on raising $200 million.”

According to Ueberroth, it was Rubenstein who came up with the ingenious solution: sponsor exclusivity. The idea was to “limit sponsorships to thirty to avoid clutter and duplication, and to select only major advertisers as sponsors, one per category.”

The unorthodox approach – basically, less is more – also served to deflect criticism. “We knew we were going to be faced with charges of commercialism,” LAOOC Vice President Daniel Greenwood told Reich. “There was no way we could avoid that. . . . In Europe, the articles read, ‘McLympics and stuff like that’. . . . Our goal was to make this as tasteful as possible.”

Ueberroth established a $4 million floor for each sponsor. His first deal was in the all-important soft-drink category. In a fierce battle with Pepsi and several other companies, Coca-Cola became to the first corporation to sign up, for a whopping $12.5 million.

Exulted Ueberroth, “This was real money. . . . The sum would shock the sporting world, but it confirmed my belief that we could achieve $200 million in sponsorships alone.”

The Coke deal opened the proverbial floodgates. Anheuser-Busch came onboard next, to the tune of $10 million, followed by, among others, McDonald’s Corporation, Arrowhead Puritas Waters, Inc., Canon USA, Inc., The Southland Corporation, United Airlines, First Interstate Bank, Dentsu, Atlantic-Richfield Company, Buick Motors/GMC Trucks General Motors Corporation, Levi Strauss & Co., and Fuji Photo Film Co. Ltd.

By the start of the Games, Ueberroth had signed up 34 sponsors. The LAOOC also created revenue streams, signing deals with the 64 corporations that became “official suppliers” and another 65 companies known as “official licensees.” Ueberroth didn’t meet his goal of $200 million, instead “settling” for about $126.7 million in cash, goods, and services from these agreements. That sum was six times the amount raised by similar programs in the prior two Games.

Ueberroth later praised the corporations for their vision. “The dignity of our sponsorship program,” he commented, “was really a tribute to corporate courage. [They] stepped forward to meet the trying demands of a risky venture and they never wavered or lost faith in our cause. By identifying themselves with an event as far-reaching and wholesome as the Olympic Games, they recognized the intrinsic value of the positive image within their grasp.”

The third major source of revenue was to come from tickets sales, even as the LAOOC worked to curtail high prices. Ueberroth mandated that tickets prices should not exceed $100 for athletic events. Many sold for as little as $3; the average price was $17. (Ticket prices for the Opening and Closing Ceremonies ranged from $50-$200.)

Directed by Ed Smith, ticket sales commenced via mail order in
1983. By the close of the Games, with nearly six million tickets sold to the public, revenue exceeded $139 million. This beat previous efforts; the average revenue from ticket sales for the Moscow, Montreal and Munich Games was $20 million.

The process included special ticket give-aways. According to LAOOC staff member Dan Cruz, “some 80,000 kids went to Olympic competitions through the Grow with the Olympics program. Plus about 12,000 others – seniors and disabled.”

As the revenue streamed in, Ueberroth publicly downplayed potential profits. He feared that, despite the healthy income projections, an unexpected crisis could derail the process, anything from a terrorist attack to a boycott. He cited the Lake Placid Games, where organizers projected a surplus of $1 million before the Games, only to end up with a $7 million deficit because of “unforeseen problems.”

Afterwards, he commented, “We were lucky: Nothing happened – no massive security problems, no labor strikes, no transportation breakdowns, and no natural catastrophe.”

Ueberroth concentrated on generating revenue, but he also stressed cost reduction. He placed Executive Vice President Harry Usher in charge of limiting expenditures. An attorney with several large Los Angeles-based law firms, including Gibson, Dunn & Crutcher, Usher specialized in entertainment law. Previously, he had been the head of the Beverly Hills Bar Association.

Usher supervised the hiring of LAOOC staff. He ran a lean ship, limiting permanent staff to fewer than 400 employees up until a year before the Games. During the Games, Usher tapped the services of approximately 29,000 volunteers – a higher number than in any previous Games. They helped in nearly every department, from taking tickets to facilitating the torch relay to staffing the medical centers.

Usher preached frugality. Mere months before the start of the Games, he still approved expenses over $1,000. Said Usher, “The most important [principal] in the first couple of years was the idea of Spartan, that people came in with an idea that the money was scarce, that the road was going to be long and hard and that every effort had to be made to maximize revenues and minimize expenses.”

With his phenomenal memory for detail and what one aide called a “voracious appetite for work,” Usher complemented Ueberroth. “Usher was Mr. Inside; I was Mr. Outside,” according to Ueberroth. “He was responsible for all the minutiae involved with staging the Games and keeping them on track and integrated by departments. He supervised all contract negotiations and enforced those we had with suppliers and vendors.”

According to Reich, Usher approved “every one of the two thousand contracts” associated with the Games.

Beyond financial matters, Usher was responsible for the “look” of the Games. (Ueberroth was born color-blind, so Usher took over that department.) His job was doubly difficult because, due to the fact that the Games used 75 disparate facilities, no unifying theme or style of architecture existed.
“We didn’t have a whole lot of permanent facilities,” he said. “We had to build a lot of temporary facilities and so the integration of the look and the colors and the functionality of it was part of the whole operations.”

“We had facilities from the brand new – like the pool and the velodrome – to facilities 60-years-old, like the Rose Bowl,” LAOOC Vice President for Architecture and Construction Ed Keen told Reich. “The aesthetics challenge was: how do you make those facilities, wonderful and unique as they are, look Olympic and appear to be, from a television standpoint too, of a single Olympic purpose and theme.”

“Harry said, ‘We need a look totally different from anything else, so when someone walks into that stadium they’ve been into a hundred times to see a Raiders game, they say, “This is different, this is the Olympics, I’m glad I paid a hundred bucks to get in,”’” LAOOC Vice President Mike Mount told Reich. “And he was right.”

Usher rejected the original design scheme – dominated by red, white and blue colors – because he wanted to avoid charges of in-your-face patriotism. “I believed that we should not be chauvinistic about our look,” he said, “but rather we should be creating a tremendous festival feeling, keeping in mind that we have an enormous geographic area. From Lake Casitas to Mission Viejo is one hell of a long way.”

Instead, Usher went with the schemes developed by the design firm of Sussman/Prejza. What became known as “The Look” – or, more formally, “festive federalism” – involved several colors, including magenta, vermillion, chrome yellow and aqua. Swatches of colors were applied to everything from street banners and first-aid tents to site “sonotubes” and Arts Festival venues, generating what one observer called “an urban sprinkling of confetti.”

It was Deborah Sussman who conceived and presented the color scheme to the organizing committee. Said architect Jon Jerde, “[I]t was perfect and we all saw it . . . It was a bizarre set of colors by any normal measure...but this was a very abnormal event, and the fact that these things deviated from the normal by such an extraordinary amount, they captured the spirit of the new event.”

“If [Harry] had not played the role in design that he did, I don’t think the Games would have worked,” LAOOC Vice President of Cultural Affairs Bob Fitzpatrick told Reich, “because so much was contingent upon how this city suddenly blossomed, and the inventiveness and the imaginativeness, as opposed to being very uptight, blah, over-patriotic.”

No matter how much revenue the LAOOC raised – and no matter how effective “The Look” turned out to be – Ueberroth knew that the ultimate success of the Games would be measured by the athletic competition. With the LAOOC responsible for competitions in 21 medal sports, site selection and acquisition became an early priority.

For the most part, Ueberroth followed the LAOOC road-map and secured existing facilities to stage the events, spread out across approximately 4,500 square miles of Southern California. The Los Angeles Memorial Coliseum, which had been the centerpiece of the 1932 Games, served as the site of the Opening and Closing Ceremonies, as well as track and field events. Inglewood’s Forum hosted the basketball games; Long Beach’s Convention Center held
the volleyball and fencing competitions; while Lake Casitas (in Ventura County) hosted canoeing and rowing.

The LAOOC did build three new permanent facilities, including a velodrome and an Olympic pool. True to the “Spartan” spirit, Ueberroth negotiated sponsorships deals to fund construction of the velodrome (on the campus of California State University, Dominguez Hills) and the swimming pool (on the campus of the University of Southern California).

“The fact that we did not have to build every venue from the ground up made it absolute cinch, in my judgment, that we’d wind up with a surplus,” Mayor Bradley said. “The question was, what size?”

For each sport, Ueberroth selected commissioners to supervise the program. Venue management teams were hired about six months prior to the Games. As often as possible, venues were tested in pre-Olympic events. “LA83” competitions took place in, among others, water polo, cycling and archery.

As the Games approached and the LAOOC finalized competition plans, Ueberroth fretted about security issues and a possible boycott. After all, a terrorist attack had severely damaged the ’72 Munich Games. In 1976, many African countries had boycotted the Montreal Games.

In 1980, shortly after Los Angeles won the right to host the Olympic Games, President Jimmy Carter pulled the United States from the Moscow Games. Carter’s action was in response to the Soviet Union’s invasion of Afghanistan in 1979. Many pundits felt a Soviet boycott was inevitable because of Carter’s decision.

Ueberroth had often traveled on business to the Soviet Union while running his travel agency, and he worked hard to accommodate the Soviets. One of his first official trips as LAOOC president occurred in 1979, when he attended the All-People’s Spartakiade in Moscow, a pre-Olympic event.

“I knew how bitterly hurt they were [because of the 1980 boycott],” Ueberroth said. “So my strategy was to try and repair the wounds, to try and stop the great hurt and so never to say anything bad about the Moscow Games.”

On May 8, 1984, one of Ueberroth’s worst fears was realized when the Soviet Union announced that they would boycott the Los Angeles Games. The decision came less than three months before the Opening Ceremony.

Publicly, the Soviets declared that they were pulling out for safety reasons. In a statement, the U.S.S.R. Olympic Committee announced, “Chauvinistic sentiments and an anti-Soviet hysteria are being whipped up in the United States. Extremist organizations and groupings of all sorts, openly aiming to create ‘unbearable conditions’ for the stay of the Soviet delegation and performance by Soviet athletes, have sharply stepped up their activities. Political demonstrations hostile to the U.S.S.R. are being prepared, undisguised threats are made against the U.S.S.R. National Olympic Committee.”

The Soviets’ unease about their possible treatment in the United States was not entirely unfounded. Tensions between the two coun-
tries had recently increased. In 1983, President Ronald Reagan had dubbed the Soviet Union the “Evil Empire.” That September, the Soviets shot down Korean Airlines Flight 007, killing 269 passengers.

Ueberroth knew immediately that the incident would be divisive. “It pitted the emotions of people from around the world against the Soviets,” he commented.

The California Legislature voted unanimously to condemn the action and recommend that Soviet athletes be banned from the 1984 Games. After the vote, it was discovered that the clause banning the Soviet athletes had been added without many legislators’ knowledge. The Legislature later voted to welcome all foreign athletes, but the damage was done.

In response, the Soviet National Olympic Committee sent home their athletes competing in “LA83” rowing, canoeing, and archery events.

Meanwhile, a Southern California citizens group calling itself the “Ban the Soviets Coalition” had circulated a petition demanding that the Soviets be barred from the Games. They also threatened public protests during the Games and the use of billboards to encourage Soviet athletes to defect.

Ueberroth remained unconvinced that the Soviet boycott was inevitable. “There were times in the four-year period between the Carter boycott of the Soviets and the Soviet boycott here when they were definitely coming to our Games,” he said. “They would not have paid money to us, entered into contracts. That’s not their style to do that as a ruse, to pay seven figures to us and rent apartments and do things, if they weren’t intent on coming.”

Ziffren pointed out that the death of Soviet leader Yuri Andropov in February 1984 was a key moment. “When he died and [Konstantin] Chernenko came to power, the whole thing changed. Chernenko was always Leonid Brezhnev’s man. Brezhnev never forgave the United States for the ’80 boycott.”

Others noted the decision a month later by the Reagan White House to turn down a visa for Olympic attaché Oleg Yermishkin, on the grounds that he was a KGB agent.

No matter the reason, the Soviet decision to boycott the 1984 Olympics stung the staff of the LAOOC. “It was like a body blow,” David Simon told Reich. “Everybody felt like they’d been punched in the stomach.”

Morale plummeted, especially when other Eastern European bloc countries announced their withdrawal. Ueberroth was worried that the boycott would spread to African nations. He also was concerned that, if television ratings suffered, ABC-TV would withhold its final payment.

In a time of crisis, the LAOOC pulled together to lobby other countries not to boycott. They also invited countries to send additional athletes. Ueberroth even flew to Cuba to try and persuade Fidel Castro to send Cuba’s team.

“We had a phone bank going 24 hours a day,” LAOOC Vice President Anita DeFrantz said. “We called every national Olympic committee to see what they needed and to let them know that we would produce a great Olympics for their athletes.”

When Romania announced that it would send its team, the LAOOC breathed a sigh of relief. The addition of the People’s
Republic of China, absent from the summer Games since 1952, was another welcome sign.

Eventually, only 16 countries, primarily from Eastern Europe, joined the Soviets boycott. And, after ABC-TV enjoyed extraordinary television ratings, the company made its final payment to the LAOOC.

The overall effect of the Soviet boycott has been debated. Certainly, the absence of the Soviets, East Germans, and Cubans diminished the competition in several marquee sports, including track and field, boxing, and gymnastics. “I think it hurt us in the sense that it kept two of the nations who are most prominent in sports, the Soviet Union and East Germany, out of the Games,” said Ziffen.

On the other hand, many LAOOC officials believe the boycott galvanized their effort. Said Don Matso, “If [the Soviets] had said, ‘We’re not coming because you guys didn’t come in 1980,’ everybody would have gone, it makes sense. But they didn’t say that. They said, ‘We’re not coming because you guys aren’t going to be friendly, and the smog’s going to be bad, and it’s going to be dangerous for us.’ They basically threw the gauntlet down and they challenged the people of Southern California, and it became unpatriotic to be unfriendly.”

Said Mayor Bradley, “There’s no doubt in my mind that their withdrawal from the Games helped rather than hurt.”

To Ueberroth and other LAOOC officials, the boycott was a mistake because it penalized the wrong party: the athletes. “History has proven that the use and abuse of athletes for political purposes only hurts young individuals rather than achieving any political gain,” he commented. “Sports organizations and events should not be involved in disputes between governments.”

“The Soviet boycott was an enormous disappointment because it meant that the athletes were taking a beating again,” said DeFrantz. “It was just like the U.S. boycott of the 1980 Olympic Games: the athletes were the only ones to be penalized.”

The day of the Soviet Union announced the boycott was, coincidentally, the same day that the Olympic torch relay began its transcontinental journey from New York City to Los Angeles.

Ueberroth had pushed for the cross-country route, which passed through 33 states over some 9,000 miles in 82 days, because he believed that “our relay would have to be something very special to attract the attention of the American people.”
He says that he met stiff resistance within the LAOOC. “I put it to a vote and was outvoted seven to one,” he commented. “My instinct is to go with the majority, but in this case I knew deep in my gut the majority was wrong.”

Again, Ueberroth found a way to reduce expenses by tapping corporate funds. AT&T signed up as the official sponsor of the relay and paid for logistical costs.

The LAOOC also used the torch relay as a way to raise money for youth sports: they sold the right to run to groups and individuals. They generated nearly $11 million, all of which was donated for youth sports programs.

As the torch wound its way across America, the bitter after-taste of the Soviet boycott faded and the Olympic spirit began to build. “I said many times that once the torch crossed the California line, this place is going to come unglued,” Argue said. “That was about right.”

“This so-called laid-back community literally went bonkers about the torch relay,” Mayor Bradley said.

The crowning touch was left to Rafer Johnson, the LAOOC board member who had won the gold medal in the decathlon at the 1960 Rome Olympic Games. On July 28, 1984, Johnson took the torch from Gina Hemphill, the grand-daughter of Jesse Owens, then climbed 92 steps of the Coliseum, and ignited the Olympic flame that nestled in a cauldron atop the stadium.

This climaxed a magnificent Opening Ceremony, produced by David Wolper. In front of more than 7,000 athletes and 92,655 spectators – as well as 2.2 billion TV viewers – the four-hour-long ceremonies featured a 1,000-member choir, 84 baby grand pianos for a mass performance of George Gershwin’s “Rhapsody in Blue,” and the flight of a man wearing a jet-pack landing on the Coliseum field.

“I had gone to six or seven Olympic Games, and I knew that the Opening Ceremony plays a large role in determining the mood of the Games,” said Wolper, who had produced “Visions of Eight,” the acclaimed documentary about the 1972 Olympic Games. “A great Opening kicks it off, and everyone gets into the spirit. We wanted to raise the standard.”

“I always felt that Wolper was the only person alive who had the creative talents to produce a show that would turn on the world,” Ueberroth commented. “Wolper’s production was . . . an emotional outpouring of friendship and the story of America set to music. It was the perfect way to welcome the greatest athletes in the world. It was Hollywood at its best: glamorous but not glitzy; patriotic but not corny.”

Wolper had set the perfect tone, and now the stage was set for the athletes. They didn’t disappoint, breaking or tying 13 world records and more than 80 Olympic records. Among the highlights: Joan Benoit winning the first women’s marathon, Carl Lewis capturing four gold medals, and the on-track collision between Mary Decker and Zola Budd in the women’s 3,000 meter final.

For 16 days, Los Angeles was the epicenter of the sports universe. By the time Wolper directed the Closing Ceremony, the verdict was in: the LAOOC had done it.

“It was a moment in time when everything went according to plan,” Wolper said.

“ar have we brought the world just a little bit closer together, then we have, indeed, staged a successful Olympic Games.” So said Peter Ueberroth from the floor of the Los Angeles Coliseum, on the occasion of the Closing Ceremony at the 1984 Games. The tangible legacy of the 1984 Games may have been minimal – a new swim stadium, a velodrome (since demolished), a shooting range, several refurbished sports venues, and an administrative building on the UCLA campus and student housing at USC – but by almost any measure, the Los Angeles Olympic Games were a smashing success.

When Los Angeles won the right to host the Games, the Olympic Movement was in disarray. Since 1984, the Olympic Games have regained their position as the world’s most prestigious international sporting event. Attracted by the potential profits of staging the
Games – as well as the increased media attention devoted to Olympic sites – the number of Olympic bid cities has mushroomed.

In 1982, only two cities bid for the right to host the 1988 Games (with Seoul defeating Nagoya, Japan). In 1986, the first time after Los Angeles that the IOC met to vote for host locations, six cities competed for the 1992 Summer Games and seven for the 1992 Winter Games. That interest continues unabated, as major cities throughout the world position themselves to host the next available Games.

With the resolution of certain geo-political conflicts, the era of mass boycotts ended after Los Angeles. In 1988, only four countries boycotted the Seoul Games. In Atlanta (1996), Sydney (2000) and Athens (2004) all recognized National Olympic Committees fielded teams.

In addition, with the media spotlight focused on such star athletes as Joan Benoit and Evelyn Ashford, the Los Angeles Games highlighted the increased participation of women athletes in Olympic competition. In 1984, women athletes competed in 62 events and comprised 23 percent of all competitors. By the 2004 Olympic Games, women competed in 135 events and comprised 41 percent of all athletes.

Of course, the most enduring legacy of the Los Angeles Olympic Games is its financial impact. The 1984 Games generated a whopping $232.5 million surplus, making it the most profitable sporting event in history. The Games also delivered approximately $2.3 billion in positive financial impact to the Southern California economy.

“Los Angeles 1984 was a sort of revelation,” IOC member Hein Verbruggen commented. “The Olympic Games, as well as providing an extremely positive image of the host city and country, could therefore be a good financial operation if it were strictly managed.”

The results of the financial success continue to have an impact regionally and nationally. The USOC continues to use its share of the surplus to fund athlete development. In Southern California, the LA84 Foundation promotes part in youth sports and a greater understanding of the role of sport in society. To date, the Foundation has funded more than 1,000 youth sports organizations reaching more than 2 million young people, while developing a wide range of innovative sports education programs.