

# Cement firms to sponsor cricket, hockey tournaments

## Embark on aggressive marketing strategies

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Cement companies, often in the news for issues relating to supplies and price, are now into cricket and hockey sponsorships in a big way.

While ACC has followed the footsteps of its rivals, India Cements and UltraTech Cement, in supporting the third season of the DLF Indian Premier League, Shree Cement has chosen to sponsor 15 players of the Indian hockey team for World Cup 2010. The players will display the company's logo on their hockey sticks.

Mr. H.M. Bangur, Managing Director, Shree Cement, said the company wanted to extend its sponsorship to 22 players for a year longer though the team had just bowed out of the World Cup race.

"Though hockey and other games put together account for only 25 per cent of media coverage compared to cricket's 75 per cent, we decided to go with hockey as it needs support and sponsors," he added.

### CRICKET SCROES

ACC will highlight its brand name on the apparel (on the leading arm) of the Kings XI Punjab team.



**A file picture of actor and co-owner of Rajasthan Royals, Ms Shilpa Shetty, at a press conference to announce the tie-up between Rajasthan Royals and the UltraTech Cement**

Mr Sumit Banerjee, Managing Director, said the company had had a long history of supporting cricket, decades before the game became successful commercially.

ACC's association with cricket goes back to the 1950s

when it began employing luminaries such as Rusi Modi, Ramakant Desai, Madhav Mantri, Babu Nadkarni, Dilip Sardesai, Polly Umrigar, Sunil Gavaskar and Karsan Ghavri.

The Aditya Birla-owned UltraTech Cement has been retained by Rajasthan Royals

as team sponsors while India Cements owns Chennai Super Kings.

UltraTech was expected to spend about Rs 8-9 crore in the third edition of IPL, sources said.

### CEMENT GLUT

Beyond sports, cement companies have embarked on aggressive marketing strategies, especially with the entry of new players and the fear of glut thanks to additional capacities.

Production is expected to reach 300 million tonnes (mt) by 2012 from the present level of 250 mt.

UltraTech Cement and Grasim Industries plan to invest Rs 14,000 crore over the next five years, which will see the addition of 25 million tonnes, to retain their 22 per cent market share.

Holcim-owned ACC and Ambuja Cements will pump in about Rs 4,600 crore to add 10 mt, which will take its capacity to 60 mt.

"Annual cement demand is expected to reach 205 mt in Fiscal 2010 while capacity may touch 250 mt. Since most of the new capacities may take a year to stabilise, the industry may see a surplus of 30-35 mt in FY 2012," said an analyst.