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Soccer

FIFA, Recovering 48 Luxury Watches, Seeks to Cast Off Links to Giveaway



José Maria Marin, center, the president of the Brazilian soccer federation, which gave out luxury watches, is under house arrest in Manhattan after being extradited to the United States from Switzerland in November.

MARY ALTAFFER / ASSOCIATED PRESS

By REBECCA R. RUIZ NOVEMBER 26, 2015

When they checked into their rooms at the Grand Hyatt in São Paulo, Brazil, just before last year's World Cup, global soccer officials were greeted with leather gift bags from the country's soccer federation. Each bag contained tourism books, a key ring, a Brazil jersey — and, in a small velvet pouch, a wristwatch worth \$26,000.

Some realized that the watch, by the Swiss brand Parmigiani, was more than a

trinket and turned it in to FIFA, the sport's global governing body. But many officials accepted the watch, establishing it as a symbol of the largess enjoyed by soccer's leaders.

Less than a year later, FIFA was brought to its knees when United States prosecutors <u>unsealed corruption and bribery charges</u> against 10 soccer officials from nine countries. Among them was the president of the Brazilian federation that gave out the watches last year, José Maria Marin.

Now, in one of many efforts to restore its reputation, FIFA is trying to purge the infamy of the Parmigiani watches. On Thursday, more than a year after the Brazil federation said it distributed 65 of them, FIFA announced that it had rounded up 48 of the luxury accessories and donated them to charity.

The gift, appraised at roughly \$1.2 million, was made to the Street Football World charity, FIFA said. In coming days, the watches are expected to arrive in Berlin, where the charity has its headquarters, its founder said, and proceeds from their eventual sale will be invested in soccer programs for disadvantaged youths in Brazil.

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Most of the officials who received the watches in the summer of 2014 said they were unaware of the value. "Who's ever heard of Parmigiani?" Michel D'Hooghe, honorary president of the Royal Belgian Football Association and a member of FIFA's executive committee, said in an interview this week. "To me, it sounded like something you put on spaghetti."

Mr. D'Hooghe gave the watch to a friend as a souvenir of the tournament, he said. He thought no more about it until word soon traveled that the gifts were, in fact, expensive; FIFA had learned about them, and it wanted officials to hand them over.

In September 2014, FIFA's ethics committee <u>announced</u> that it would not penalize soccer officials who complied with its request by the end of the next month. Some people, like the head of England's soccer association, Greg Dyke, publicly defied that deadline and did not hand back the watches until early <u>this year but evaded sanctions</u>, according to FIFA.

As the United States and Switzerland now continue independent investigations into further possible corruption in the sport, FIFA has sought to show it is serious about rooting out unethical and illegal behavior. The organization's announcement Thursday signaled that its ethics committee had invested time in collecting the accessories — some of them not in the possession of the officials to whom they were first given — and that FIFA wanted to trumpet that protracted effort.

After initially saying it had distributed 65 watches, Brazil's soccer federation provided FIFA with the names of 57 people who had received gifts, according to Andreas Bantel, a spokesman for the investigatory chamber of FIFA's ethics committee. It is unclear exactly how many watches were given out, but FIFA focused on the named individuals.

"We very carefully and intensively researched those people to reclaim 48 of the 57," Mr. Bantel said.

FIFA did not identify the nine people who did not return watches, but one is a

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defendant in the United States' case, Mr. Bantel said. That official took the Parmigiani watch to Zurich in May, planning to surrender it, but he was arrested in an <u>early-morning raid of his hotel</u> before he could follow through.

The remaining eight officials told FIFA's ethics investigators that they had never received the watches, or that they had been irretrievably lost, for example, in international transit out of Brazil.

In Thursday's announcement, FIFA's ethics committee investigators noted that they considered the matter closed.

Jeffrey Webb, a former executive committee member of FIFA who was among the men recently indicted by the United States, received one of the gifts. To make bail last summer, Mr. Webb put up 11 luxury watches, including three Rolexes. But a Parmigiani watch was not among them.

Mr. Marin of Brazil was <u>extradited</u> to the United States from Switzerland this month. He pleaded not guilty, posted \$15 million in bail — no part of it financed by luxury accessories — and is under house arrest in a Trump Tower apartment in Manhattan.

It will be the responsibility of Street Football World to sell the 48 watches and recapture their cash value, FIFA said Thursday.

Jürgen Griesbeck, founder and chief executive of the charity, said in an interview that the organization was considering many platforms, from eBay to auction houses, through which to sell the merchandise. He was uncertain of just how much money the goods might bring in. "It's very hard to make concrete plans until we know the final amount," he said, "but we'll be very open and transparent about what we do."

The charity had reservations about accepting the tainted merchandise, Mr. Griesbeck said, but it ultimately decided to help reinvest the money in grass-roots

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soccer in Brazil, where the organization's broader mission includes helping at-risk youth find work.

Street Football World was not the first to be offered the watches, nor was it alone in its early ambivalence; the Brazilian soccer federation from which the watches came turned down the chance to take them back. The federation did not respond to a request for comment.

The Brazilian federation acquired the timepieces directly from Parmigiani, it told FIFA last year, for \$8,750 each, or a third of their market value, according to an appraisal that FIFA commissioned; the watchmaker is a partner of the federation. It sells a <u>cobranded line</u>, Pershing CBF — for Confederação Brasileira de Futebol — that incorporates details of the Brazilian flag on watch faces.

For Mr. D'Hooghe, FIFA's request last year meant rescinding a memento he had passed on as a present. "It was not very honorable for me," he said, "to ask a friend to give me back the gift I'd given him."

More than that, Mr. D'Hooghe said, he objected to having the "poisonous" present sprung on him unsuspectingly by the Brazilian federation. He said he had no opportunity to receive or reject it because it was left in his hotel room.

Among the first to willingly hand over the watches before FIFA's public request for them were Moya Dodd, an Australian soccer official who has been <u>vocal about</u> <u>increasing the number of women in FIFA</u> as a way to combat corruption; Prince Ali bin al-Hussein of Jordan, who has newly begun his <u>second bid for the FIFA</u> <u>presidency</u>; and Sunil Gulati, the president of the United States Soccer Federation and a <u>member of FIFA's executive committee</u>. All three declined to comment on Thursday's news.

Watches have a close identity both with world soccer and with FIFA, which has its headquarters in Switzerland, a prominent producer of them. Hublot made the six oversize watches that hang in the lobby of FIFA's Zurich headquarters and mark various time zones; it is also the official timekeeper and watch of the World Cup.

For Parmigiani — previously mistaken for a cheese by some like Mr. D'Hooghe — the tie to the FIFA scandal has been positive, the brand has said.

As a result of the scandal, a spokeswoman said in an email this week, traffic to the watchmaker's website last year tripled, breaking records.

"Everybody knows Rolex, Omega, Cartier," Mr. D'Hooghe said. "But Parmigiani?"

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