

# WONDER



Left to right: Michelle Wilson, EVP, marketing; Donna Goldsmith, COO; Stephanie McMahon, EVP, creative development and operations

# WOMEN

BY MICHAEL J. MCDERMOTT

**AT WORLD WRESTLING ENTERTAINMENT, WOMEN ARE A DRIVING FORCE BEHIND THE COMPANY'S SUCCESS**

**World Wrestling Entertainment (WWE) is a booming,** half-billion-dollar public company that built its brand around stars like Hulk Hogan, Ric Flair, and “Stone Cold” Steve Austin. So when WWE executives tell you something, you tend to listen. Not because they could reduce you to a pool of whimpering pain in a matter of seconds, but because they have the performance track record to back up what they say.

There are two things WWE wants you to know: First, the operative word is “entertainment,” not “wrestling.” Second, watch how you refer to the talent. They’re not wrestlers; the men are “superstars” and the women “divas.”

If you find that surprising, here’s another revelation: to a large degree WWE is run by a few women. Sure, chairman and CEO Vince McMahon, the very public face of WWE, still sits atop the organizational chart. But it’s estrogen rather than testosterone that wafts through the executive offices. Three women in particular — Donna Goldsmith, chief operating officer; Michelle Wilson, executive vice president of marketing; and Stephanie McMahon, executive vice president of creative development and operations — are the day-to-day drivers behind this

\$500 million-plus marketing engine. (At the time this article was being produced, another powerful woman with the company, former CEO Linda McMahon, had just left to campaign for a seat in the U.S. Senate representing Connecticut.)

As Wilson points out, there’s a certain logic inherent in having women at the top of WWE. “We’re an entertainment company,” she notes. “From our female executives to our divas, the women of WWE are smart and powerful and play a pivotal role in our decision making and direction. That’s common at many entertainment properties, so I don’t think anyone should be surprised.”

*Forbes* recently named Goldsmith the second most powerful woman in sports, behind only Lesa France Kennedy, CEO of International Speedway. Before

joining WWE in 2000 as senior vice president of consumer products, Goldsmith honed her marketing skills overseeing global licensing for the National Basketball Association and working for such consumer product companies as Revlon and Swatch Watch U.S.A.

Goldsmith, who moonlights as an extra in TV soap operas, says her biggest challenge is dispelling misconceptions about WWE. “One of those,” she states, “is us constantly being called professional wrestling. That term just doesn’t give us the credibility we deserve.”

It would be hard to argue that point with Goldsmith, even if she didn’t have superstars like John Cena and Randy Orton ready to back her up. Stamford, Conn.-based WWE is a media juggernaut whose concerted efforts to make



The celebration of the 25th anniversary of WrestleMania was held in Houston at Reliant Stadium.

FOR THE MASSES

## A Winning Formula

World Wrestling Entertainment's successful repositioning as family-friendly entertainment has not only boosted its audience numbers among women and younger children. It has also opened a new world of opportunities in the corporate partnership arena. Among the companies and brands that have participated at events such as WrestleMania and SummerSlam are AT&T, Castrol, Gillette, the Army Reserve National Guard, Best Buy, Kmart, Wal-Mart, 7-Eleven, and PepsiMax.

While marketing partners often have to be disabused of the notion that WWE is still in the "Attitude Era" that defined professional wrestling a decade ago, its numbers make a strong argument. WWE broadcasts in more than 145 countries in 30 languages, to audiences split about 60/40 between male and female. Agewise, its demographics are evenly distributed, about a quarter each in the under-18, 18-34, 35-49, and 50-plus cohorts. WWE.com attracts 15.2 million unique visitors worldwide every month, and 5.6 million readers troll the pages of the monthly *WWE* magazine. — M.J.M.

itself more family friendly are bearing fruit. The shift from a TV-14 to a TV-PG business model is driving ratings growth and drawing blue-chip corporate sponsors like Procter & Gamble, AT&T, and PepsiCo.

According to Goldsmith, WWE is the world's leading provider of pay-per-view events. It produces seven hours of new television programming every week of the year, and its video game licensing operation has generated more than \$1.4 billion in revenues since 1999.

What's more, WWE has extensive consumer product, marketing sponsorship, and e-commerce operations. "The magnitude and size of our business makes us much more than professional wrestling," she points out.

Another challenge Goldsmith faces, like every business manager in the current economy, is boosting efficiency and squeezing costs out of operations, all while keeping production values high. The numbers suggest she's succeeding: between the second quarters of 2008 and 2009, operating income on WWE's flagship WrestleMania event doubled on just a single-digit gain in ticket sales.

The other leading ladies backstopping Goldsmith are no lightweights either. Wilson, who holds an MBA from Harvard Business School, was chief mar-

keting officer at the United States Tennis Association before joining WWE in February 2009. She's also held high-level marketing positions with the NBA and Nabisco. That background is proving useful in her new position.

"People have many options when it comes to how they spend their leisure time and their discretionary income, so delivering the most valuable entertainment experience is always the top priority," Wilson says. With the entertainment quotient already very high at

WWE live events, she focuses on providing more value to families, such as offering \$15-\$20 tickets.

Stephanie McMahon, the daughter of Vince and Linda McMahon, grew up in the business. But she has more than just an ivory tower view of how WWE operates. She learned from the ground up, starting out as an intern at age 14 and working in almost every facet of the operation, from reception and human resources to live events and production.

It doesn't hurt that as an intern McMahon had the chance to shadow both the chairman and the CEO and was privy to every closed-door meeting and eleven-hour phone call — not to mention that she grew up with the likes of Andre the Giant and later was a TV personality

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on WWE programming. Today she oversees talent relations, talent brand management, live event booking and marketing, and the creative writing department. She also produces and directs some of the events that take place monthly. "I grew up in a world of midgets and giants and everything in between," McMahon remarks. "I'd say it uniquely qualifies me for our particular business."

The leading ladies are aware that people are sometimes surprised to hear WWE is not a male-dominated organization, but Goldsmith is adamant that there is no glass ceiling and everyone is treated equally. McMahon is somewhat blunter: "Women rule the world. We just let men think they do."

Anyone care to argue? Yeah, that's what she thought.