

(service and special), scooters, trucks, tractors and heavy equipment. Markets providing such services today in Belarus are not formed, so the price of each of the types of services will have to consist of the cost of services, and the expected profit per cent, tax and non-tax payments included in the price of services. This means that the economic justification for the necessity and effectiveness of outsourcing transport services using the method of evaluation and comparison of costs is difficult and inefficient because it requires a preliminary calculation of the tariffs on those kinds of transport services, market rates are not formed due to the lack of such services market. It makes us look for another technique, the use of which in the modern Belarusian economy would fully enable economic justification of all types of transport services handing over to a subsidiary.

Having considered these costs and analyzed changes in the transfer functions to outsource transportation, it can be noted that the sum of costs for all items of expenditure does not change, except for two – salaries and administrative expenses. Thus, an industrial enterprise, in deciding on the allocation of its vehicle plant in the subsidiary and purchasing it appropriate services in order to reduce their costs gets its own fixed costs decrease only in the total payroll. Consequently, the economic evaluation of outsourcing transport services to the subsidiary involves sequential passage of two stages: the first stage provides information about the market rates for transportation services and rates are formed on the ones for which there are no markets, on the second stage of a direct estimate economic efficiency of the project in the context of comparisons of the decline in the wage fund and increased costs for the acquisition of services from the subsidiary. With this approach to cost-benefit analysis we may suggest that the result of their comparison is as such that the transfer of functions transportation subsidiary would be inappropriate solely on economic indicators.

It should be noted that such outsourcing projects for the Republic of Belarus are a new direction and information about the success or negative experiences with their implementation is not available.

Overall outsourcing as a tool for financial logistics is an effective mechanism to provide numerous competitive advantages required for sustainable development of the organization in rapidly changing economic conditions.

#### REFERENCES

1. Альбеков, А.У. Логистика коммерции: учебник / А.У. Альбеков, В. П.Федько, О. А. Митько. Ростов-н/Д: Феникс, 2001. 512 с.
2. Бутрин, А. Г. Логистика промышленного предприятия: Учеб. пособие / А.Г.Бутрин. – Челябинск: ЮУПИ, 2005.
3. Черемисин, Д. В. Аутсорсинг как элемент современного хозяйственного механизма: теоретический аспект. дис... на соискание ученой степени канд. экон. наук / Д. В. Черемисин. – М, 2005.
4. Аникин, Б.А. Аутсорсинг и аутстаффинг : высокие технологии менеджмента: учеб. пособие / Б. А. Аникин, И. Л. Рудая. – 2-е изд., перераб. и доп. – М.:ИНФРА-М, 2009. – 320 с.
5. Львова, Т. Н. Использование технологии аутсорсинга в коммерческой деятельности торговых сетей / Т. Н. Львова, И. А. Семенова // Вестник Удмуртского университета. Экономика и право. – 2010. – Вып. 4.
6. Аутсорсинг со всех сторон. – Электронный ресурс. – Дата доступа: 05.10.2013. – Ссылка доступа: <http://www.cre.ru/rus/analytics/5/2/17118/>
7. Винников, В.В. Логистика на водном транспорте. учеб. пособие для студентов и курсантов высших учебных заведений водного транспорта / В. В. Винников, Быкова Е. Д., С.В. Винников; под ред. В. В. Ванникова. – Одесса: Феникс, 2004 – 222 с.

UDK 338.242.2:796.966

#### FEATURES OF CONSTRUCTION OF BUSINESS-PROCESSES IN THE NATIONAL HOCKEY LEAGUE

**ANASTASIA LITOVKA, ALIAKSANDR MATVIENKA**  
*Polotsk State University, Belarus*

*The article is devoted to the economy of the NHL. The article describes the questions of regulation of business, salaries of players, collective agreements and profit of all clubs in the National Hockey League.*

The history of professional hockey in North America has about 85 years. The first professional hockey teams appeared in the USA in the 1902/03 season. Current National Hockey League (NHL) of Canada and the USA was established in 1917.

The owners of the NHL teams own also teams of lower professional leagues. In addition, the NHL has two headquarters; one of them is situated in New York, headed by the President D. Ziegler and another in Montreal, headed by Vice-President B. O'Neil. Their maintenance is carried out at the expense of general revenues of the League formed from contributions of teams and other revenues [4].

## Economics

Almost a hundred years of history of the National Hockey League (NHL) accumulated great experience in organization of business processes at different stages of its development. Rules of the game as well as number of clubs in the League changed, but the main principle of the National Hockey League was always unshakable: all NHL clubs are shareholders of a private business Corporation that provides the market with its product under the name of «professional hockey». Hockey players all over the world offer their services to 30 NHL clubs. These clubs operate together and such way as if they were one buyer. Rules of engagement usually involve authorization to a specific sportsman to negotiate and sign a contract only with one particular company (team) in the League. Each contract must be registered in the NHL. In other words, the NHL is the employer of a hockey player, and place of his work is hockey club. Employers buy sportsmen at labour markets in the literal sense, and they don't get only their services, but also largely limit the rights of sportsmen – right to freedom of movement, choice of daily routine, food ration, drinks ration and so on. Professional sportsman gets the whole number of instructions and limitations when signing the contract. Disputable situations as a rule are regulated in accordance with current legislation in the court [1].

Such business structure allowed the National Hockey League to compete with other professional leagues of North America and to achieve certain successes. Not all clubs in the National Hockey League are equally successful and this is the indisputable fact. However, instead of bankruptcy procedures and leading of external management usual for our country, systems of stimulation and support of lagging partners of hockey business who are irreconcilable competitors on ice floe start working. There is no secret that every club fights for its audience, for its fans, for its business. Mechanisms, approved by the League to improve overall quality of product and unpredictability of result, equate professional level of teams:

- wage-ceiling;
- draft of beginners;
- change of players;
- status of unfree agent [1].

Each of these regulators performs its own function. One of them doesn't give possibility to rich men to be different from poor ones taking in consideration financial capacity. The second allows to today's outsiders not to feel competition from today's giants, as well as to strength by the best young hockey players of the world [2]. The third and the fourth provide honest insurance – it's almost unreal to lose hockey players without adequate compensation. All together they create a situation when highly qualified General Manager having these resources can build quite strong team.

All features of construction of business in the NHL are represented in Collective agreement of employers and workers. Current Collective agreement was signed by Association of NHL players (NHLPA) and employers (NHL) after lockout (2004/05), under enslaving conditions for hockey players as it was estimated by specialists. Wage-ceiling and wage-floor were introduced; current contracts of players were reviewed, that decreased fees on 24%, rule «escrow» appeared, when a part of hockey players salaries goes to rescue fund on deposit and returns at the end of the season, if the NHL receives sufficient income. Leadership of the League in the most daring expectations could not imagine that income of the League can grow rapidly in the midst of the global economic crisis that is why the management of the NHL promised generous benefits. When the income of the League amounts to 2,2 billion dollars only 55% were supposed to players, with the income of 2,4 billion dollars – 56%, with the income of 2,7 billion – 57% [1].

The main sources of financing of professional hockey teams are: sale of tickets for games and rights to broadcast the games by television broadcaster, income from concessions Palaces of sport and parking of spectators' vehicles during hockey matches, selling of players, income from central funds of the League and other income (interest of capital, operating revenue from sale of licenses, various souvenirs, pennants, icons, programs of competitions and advertising in them etc.).

According to economists' calculations there is a close link between number of inhabitants in city and attendance of competitions. In a city with a population of 900 thousand people the average attendance can amount to 8,4 thousand fans per game. And then each additional 1 million inhabitants add about 2 thousand spectators.

Accommodation of teams within the country is prerogative of the NHL and the League strictly adheres to this rule. For about one year there was a discussion of the question about moving of team «Colorado Rockies» in New Jersey, located not far from New York. New owner of the team had to pay additional sum to New York teams «Rangers» and «Islanders» as well as «Philadelphia Flyers» for cession of territory. According to analysts' opinion there are only a few cities in the USA that can afford to own professional hockey teams. These are Baltimore, Cincinnati, San Francisco, Indianapolis, Dallas, and Kansas City, and in Canada – Hamilton, Ontario and Sasktown [4].

The main source of income in teams of the NHL continues to be selling of tickets for games. Income from ticket sales is not distributed between the host and the newcomer teams. All revenue remains at hosting team.

As of data of the early 80s, the share of ticket revenues in budget teams of the NHL was about 80%. In 1983/84 season, the total revenue of all NHL teams from ticket sales was approximately 140 million dollars.

The basis of ticket business is the sale of season tickets. Only about 15-20% of tickets go on sale before the start of a match. It is interesting to note that over 75% of tickets for games are bought by different firms and corporations under the article "business meetings" – for their guests and clients at the expense of general budget of the companies.

The NHL has a relatively small income from the sale of rights for TV broadcasting of games of their teams (up to 20-25%). In Canada hockey is the national sport that replaces for Canadians many forms of entertainment including cinema and theatre, that's why Canadian teams have a bit higher revenues from television. In America hockey is still the regional sport.

It is quite difficult to calculate what amount of money get today NHL teams from television, because both the NHL and the owners of the teams don't like to advertise their income. According to estimated calculations this income amounts to about 1,5 – 2 million dollars a year per one team or 15 – 20% of total sum of income.

It's quite easy to calculate income from vehicles parking during the competition. Knowing the number of spectators and payment for parking of one car (2-4 dollars per match), it's easy to calculate it.

Quite important role plays income from the sale of players in some years. For example, budget of "Boston Bruins" in 1970 income from the sale of players amounted to 1 million dollars.

Of special note is the income of those teams whose owners have their own palaces of sports and training ice rinks. Such teams in the NHL are about 40%. Naturally the owners of these teams have additional profit, as they do not have to pay for rent of palaces during the calendar games and rolling during training sessions of teams [4].

Expenses of hockey teams include first of all salary of professional hockey players, coaching staff, administrative and service staff, payment of administrative and travel expenses, food and accommodation of players during away games (at least 40 games), acquisition of equipment, inventory and uniforms, rental of sports facilities, contribution to pension and medical funds, payment of insurance of hockey players, advertising, expenses on development of sports program (subsidy to maintenance of team in the lower professional League, shooting of training and other films, manufacture of pennants, souvenirs and so on), payment of Federal and local taxes of total income sum.

Wage costs are predominant in the NHL. According to data of owners of teams, they amount to 60% of total expenses sum of maintenance of team.

Differential approach to payment of professional sportsmen is the immutable law of sports business. Size of salary depends first of all on skill of the player, his experience and length of service, his position in game, influence of agent who runs his financial affairs and of course on financial state of the team. The highest average size of salary is for goalkeepers, then for central forwards.

Here is the time to make a reservation that data published in the press concerning earnings of professional sportsmen are as a rule overstated. Only club knows actual sum, as well as sportsman, his manager agent and tax administration of the city. Amount of tax collected from the salary ranges from 20 to 60% (depending on its size). In addition, after conclusion of contract hockey player who enjoyed services of agent shall pay him 10-15% of the sum of concluded contract. So real wages of professional hockey players is considerably lower than abovementioned numbers.

Amount of salary of the player does not necessarily mean that he has the best conditions, in comparison with another hockey player who gets 10 thousand dollars per year less than him. Real earnings of professional hockey players in many ways depend on other conditions of contract. For example, in contracts of some players there are such privileges as delivery of loan, payment of education of their children in College, bonus money for increase of attendance of hockey matches of this team etc.

The NHL is one of the first in professional sport that took a decision of signing the contracts with hockey players starting from the age of 18. This led to the fact that many young hockey players after having signed the contract leave their studies at school.

As noted by Canadian hockey specialists D. Tom and D. Ward, only 17% of NHL hockey players of late 70s graduated from secondary school and 10% had higher education. According to the statement of the Executive Director of Association of players of the NHL A. Eaglson, it's profitably for the owners of the team to conclude contracts with less educated and not ready for independent life hockey players, because they are more pliable, it's easier to negotiate with them and it's possible to pay them less. Appearance in the NHL of many Western European hockey players is also connected with the fact that their average earnings are lower than the salary of «Stars» of Canadian and American hockey [4].

In addition to the salary got under the contract, team players who entered the number of 16 and who put through Stanley Cup, get additional salary in the form of bonuses of the NHL. This reward system starts acting from the 1/8 of the Cup series.

Among other professional sports the NHL teams have the best payment terms of injured players. They get during this period the average salary under the contract.

## Economics

The NHL hockey players achieved that their owners established pension fund and its source of financing are ice hockey clubs (they make about 75% of contributions) and Association of players of the NHL (the so-called Union of hockey players, which is chaired by the President from among the players). The Association contributes annually to the Fund 750 thousand dollars from income of contribution of hockey players of Association (each member of trade union pays 900 dollars per year) and from international meetings held by teams of the NHL with hockey players from other countries.

The retirement age in the NHL is fixed within 45 years. For calculation of pension player should play for a team at least three seasons, and in each season he has to play for a team at least 70 games out of 80. If a hockey player didn't play for three seasons 210 games, he has to play one more additional season to his pension be added. A pension is added in amount of 1 thousand dollars a year for each sports season, i.e. minimum pension amount is of 3 thousand dollars a year. Maximum pension is not fixed. For example, hockey player played for the club for 12 seasons. He will get pension in the amount of 12 thousand dollars a year after reaching the age of 45. [4].

During the last eight years neither changes of Presidents of the USA, nor could competitors in sports markets in North America, nor economic crisis not affect growth of the economy of the NHL. Every NHL hockey player knew that «escrow» could not return to the Bank account, if you the whole League had no necessary income. You can forget about bonuses in this case. Therefore there were enough motivation mechanisms. The first wage-ceiling for each club that provoked so many debates and discussions, finally was fixed in 2005 at the level of 39 million dollars for season. This decision became a starting point for the whole economic picture of the League. We propose to have a look at the dynamics of the economy of the NHL through the prism of wage-ceiling of players over these years (Fig. 1) [1].

Each club of the League when off-season could exceed the upper limit of 10 percent. That is if the wage-ceiling next season amounts to 70, 3 million dollars, prior to start of the season payroll of clubs can reach 77, 3 million dollars. Association of the players of the NHL reached a preliminary agreement with the League concerning the size of wage-ceiling for 2012/13 season, despite of the absence of Collective agreement after September, 15. It could be a good sign at the beginning of negotiations of new agreement. However events began to progress not according to the scenario. New requirements of the NHL under Collective agreement already caused a storm of indignation from the part of hockey players and their agents. And there is no question of former understanding. Requirements of the NHL:

- not 57% of all revenues in the NHL, but only 46% should be added to the salaries hockey players;
- player becomes an unlimited free agent after 10 seasons in the NHL;
- player can sign a contract for five years maximum;
- contract of beginner is signed for a period of five years [1].

As for contracts of players, employers themselves set initiative in these processes. Exactly leaders of clubs increased the market prices hoping to get in the team one or another hockey star. Now employers offer to limit their own maximum term of "dreamy" contracts for five years [3].

Proposals of determining of the status of unrestricted free agent also seem to be controversial, and such agent can choose himself the club for his further career. According to new requirements of the heads of the clubs only after ten years of impeccable service the NHL player can become unrestrictedly free. Earlier such status could be obtained at the age of 27. Beginners are offered to «be frozen» in this unusual state of «beginner» neither more nor less for the whole five years [1].

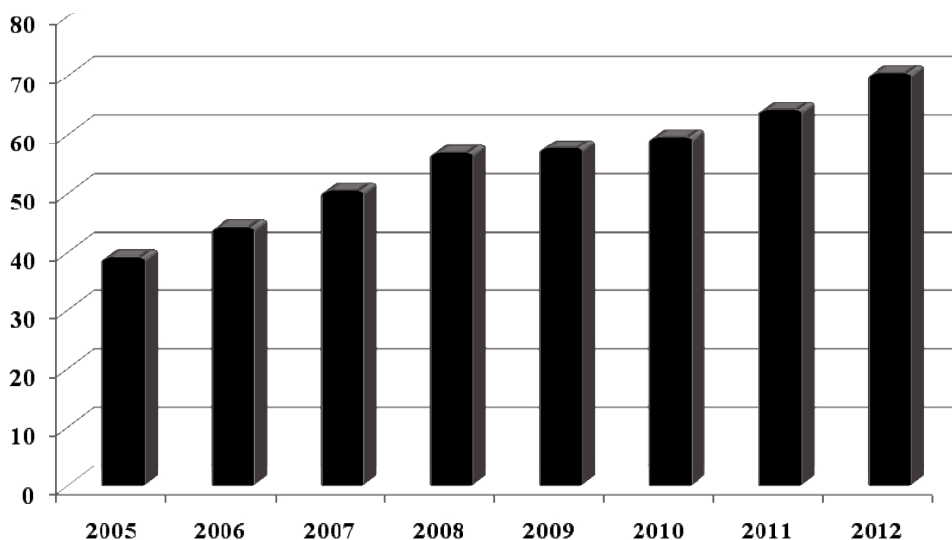


Fig. 1. Wage-ceiling of salaries of the NHL, million dollars

Data show that professional hockey players in the USA as well as baseball players, basketball players and football players are among the most highly paid «employees» in the country. Moreover, as it is noted by the USA economists and journalists, their salary is not comparable with expenses of their labour.

Presence of large number of staff in the hockey teams of the NHL also captures the attention. In some teams annual administrative costs amount to 750 thousand dollars and even more. Some teams include in their staff even television commentators. Referees control the matches are in the service of the NHL.

For the last five years transportation costs especially in teams that have to use air communication have increased. In such teams these expenses amount to more than 500 thousand dollars a year.

Negotiations of parties of the Collective agreement of sports Business Corporation are open in informational for hockey players, managers, fans, experts and mass media. Only in this mode involvement of all categories of subjects to the formation of the basic provisions of the Collective agreement is showed.

The Sports League created in form of Business Corporation can achieve high economic performance; have a great social and economical importance for life of society and do without State financing and State-owned companies. Collective agreement of workers and employers of sports Business Corporation is a guarantor of fulfillment of all agreements and obligations for both parties.

#### REFERENCES

1. Алтухов, С.В. Особенности регулирования бизнеса в Национальной хоккейной лиге // Мир экономики и права / С.В. Алтухов. – СПб.: ООО «МНИОЦ», 2012. – № 8. – С. 4 – 7.
2. Драфт НХЛ // Наука. [The electronic resource]. – 2012. – Access mode: [http://ru.science.wikia.com/wiki/%D0%94%D1%80%D0%B0%D1%84%D1%82\\_%D0%9D%D0%A5%D0%9B](http://ru.science.wikia.com/wiki/%D0%94%D1%80%D0%B0%D1%84%D1%82_%D0%9D%D0%A5%D0%9B). – Date of access: 27.10.2013.
3. НХЛ вернулась к жизни // Газета.Ru. [The electronic resource]. – 2013. – Access mode: [http://www.gazeta.ru/sport/2013/01/14/a\\_4923597.shtml](http://www.gazeta.ru/sport/2013/01/14/a_4923597.shtml). – Date of access: 24.10.2013.
4. Экономика профессионального хоккея // Offsports.ru. [The electronic resource]. – 2011. – Access mode: <http://www.offsport.ru/hockey/88/ekonomika-professionalnogo-hokkeya.shtml>. – Date of access: 25.10.2013.

UDC: 658.81 = 111

#### DEFINITIONS OF THE TERMS "COMMERCIAL LOGISTICS" AND "TRADE LOGISTICS"

**IRINA LIAKHOVA, ELENA MALEY**  
**Polotsk state University, Belarus**

*The article is based on the study of the special economic literature dealing with the identity concepts of “commercial logistics” and “trade logistics”, and gives the author's definition of the categories considered. The proposed definition most closely meets the objectives of commercial logistics and involves comprehensive review of process management of trade organizations in terms of not only the promotion of products to the final consumer, but also the optimal use of financial resources and information, as well as ensuring the appropriate level of service reducing logistics costs and improving profits.*

The feature of modern commercial logistics is focused on efficient management in terms of variability, consumer tastes, increasing their demands for quality products [25, p. 4]. To study the concept of commercial logistics, we should determine the economic substance of the concept of “commercial logistics”.

In the study of the literature, it has been found out that along with the concept of “commercial logistics”, the authors use the term “trade logistics”, with most of the authors (B. K. Plotkin, V. Y. Garfinkel, B. A. Anikin, A. U. Albekov, O. A. Novikov, M. N. Grigoriev, I. D. Afanassenko, I. A. Elovoy, etc.) identifying the above concepts. In this regard, the research has been conducted in the area of existing economic literature definition of “commercial logistics” and “trade logistics” to determine their (non-) identity.

It has been found out that the authors of the special economic literature define commercial logistics as:

- an independent scientific discipline that studies the minimization of transport costs (Garfinkel V. Y., Shvandar V. A.);
- implementation of efficient cargo flows of commercial enterprise (Albekov A.U., Mitko O.A., Plotkin B. K., Afanassenko I. D., Buneeva R. I., Rogolskaya E., Doudar A. P., Buzova I. A., Makhovikov G. A., V.V. Terekhova, etc.);
- logistics section devoted to the design, creation and optimization of meso- and concentration-macrologistical distribution systems (Anikin B. A., Tyapukhin A. B.);