

GETTING IN THE GAME MAKING ALL MATTERS LOCAL

***MUNICIPALITIES AND CORPORATE
SPONSORSHIP***

***AUMA CONVENTION
SHAW Conference Centre - Edmonton***

Thursday September 25, 2014 – 3 PM



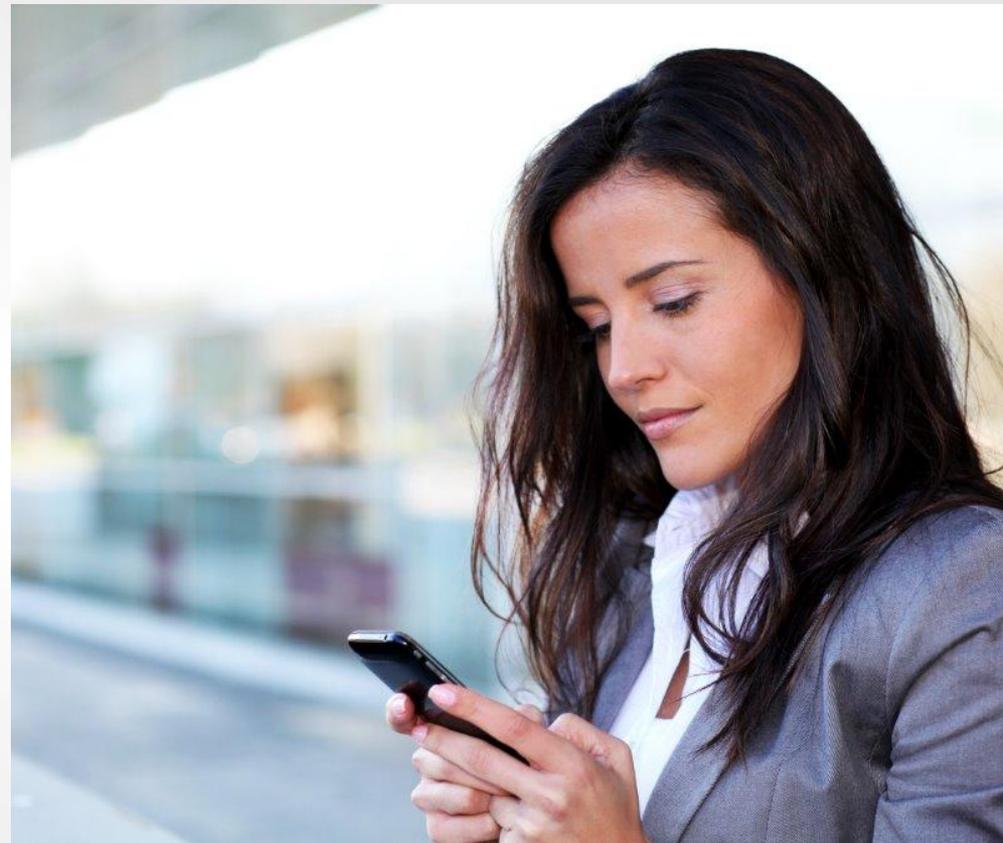
Mobile Devices

Staying connected in
the session

Twitter:
@partnershipgrp

#sponsorship

#auma2014



PRESENTER

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PRESENTER

GARY DEWAR

City of Edmonton

Sales and Sponsorship Supervisor
- Community Facility Services

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SESSION OVERVIEW

1. What qualifies us to present
2. Sponsorship industry trending
3. How to get in the game
4. City of Edmonton Story
5. Case studies and stories
6. What does the future hold
7. What is the recipe for success



BACKGROUND

- ✓ National sponsorship consulting company for over 13 years serving Canadian sponsorship selling properties and brands who buy sponsorships
- ✓ Team of consultants and advisors from BC to Newfoundland with over 140 years of combined sponsorship industry expertise

BACKGROUND

- ✓ We assist recreational providers, facilities, municipalities, recreational providers, parks, facilities as well as arts and cultural organizations, post secondary and secondary educational institutions, amateur and professional sport organizations to enhance current or generate additional revenue streams

BACKGROUND



- ✓ We are the industry leading firm for municipalities and recognized by SMCC as a training partner
- ✓ Delivering a half day workshop and the tools on “getting in the game” on corporate sponsorship for municipalities

BACKGROUND



- ✓ Have worked with over 25 municipalities and associated properties in the past three years
- ✓ Clients large and small, City of Toronto to Town of Minnedosa

BACKGROUND



- ✓ Work with municipalities not just on naming rights, but holistic sponsorship programs including and / or excluding naming rights

BACKGROUND



- ✓ We believe it is critical to understand what you have to sell, what it is worth and to be able to show value to your partners
- ✓ You need to take such tools and build internal capacity to be successful in sponsorship revenue generation and we are the leading consulting and mentoring agency in Canada for this work



BACKGROUND



- ✓ We develop or assist in development of policy for municipalities and their corporate sponsorship programs



- ✓ We build strategic plans for our clients to ensure that there is a blueprint and path for them to be successful



Canadian Sponsorship Landscape Study 2014 (CSLS)

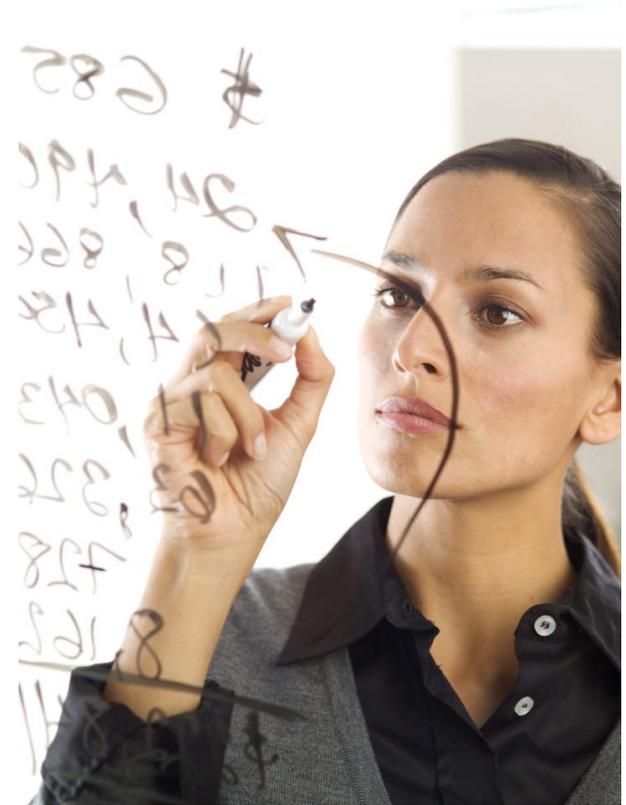
Since 2006 the industry has grown over 60%

- ✓ Now \$1.78 billion
- ✓ 16% is spent on local sponsorships
- ✓ 75% of decisions come from Marketing and Communications Departments
- ✓ 29% of brands marketing budgets last year were spent in sponsorship and experiential marketing

- ✓ Greatest continuous **growth has been with fairs, festivals and annual events**
- ✓ Entertainment-Tours – Attractions and the Arts have also continued to see growth trending
- ✓ Sport and recreation **rank behind arts and fairs and festivals** for asks and revenue in Canada



- ✓ **Municipalities have seen tremendous growth over the past 5 years with both small and large centers getting into “the game”**
- ✓ Those who are doing it right recognize they own audiences that brands want to reach



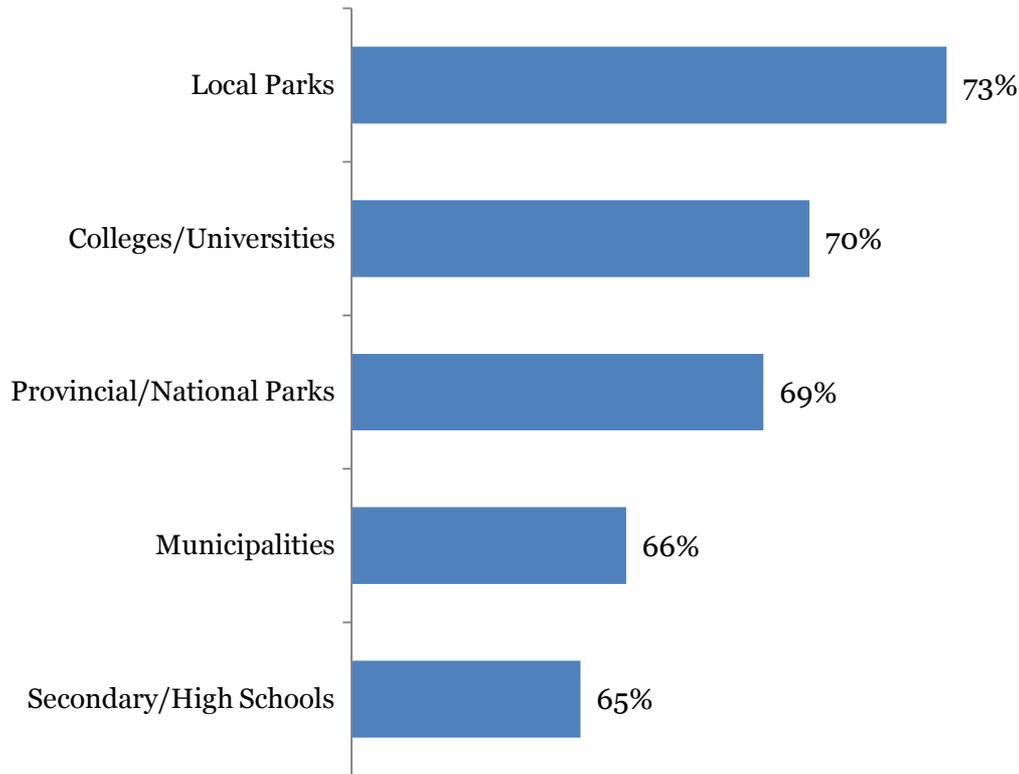
2014 Consumer Sponsorship Rankings



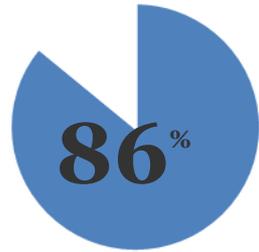
Canada's Foremost Consumer
Research on Sponsorship Marketing

WHO SHOULD SEEK SPONSORSHIP?

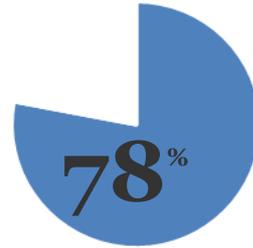
% of people who believe the following entities should seek corporate sponsorship as a source of revenue



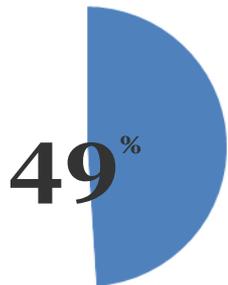
OPINIONS ON MUNICIPALITIES AND CORPORATE SPONSORSHIP



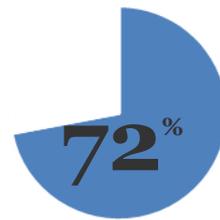
Companies should be able to **sponsor public spaces** such as hockey rinks, ball parks and recreational facilities



No preferential treatment for corporate sponsors of muni's – sponsorship and awarding of contracts should be separate



Companies should be able to **retitle existing buildings** named after prominent citizens or community benefactors

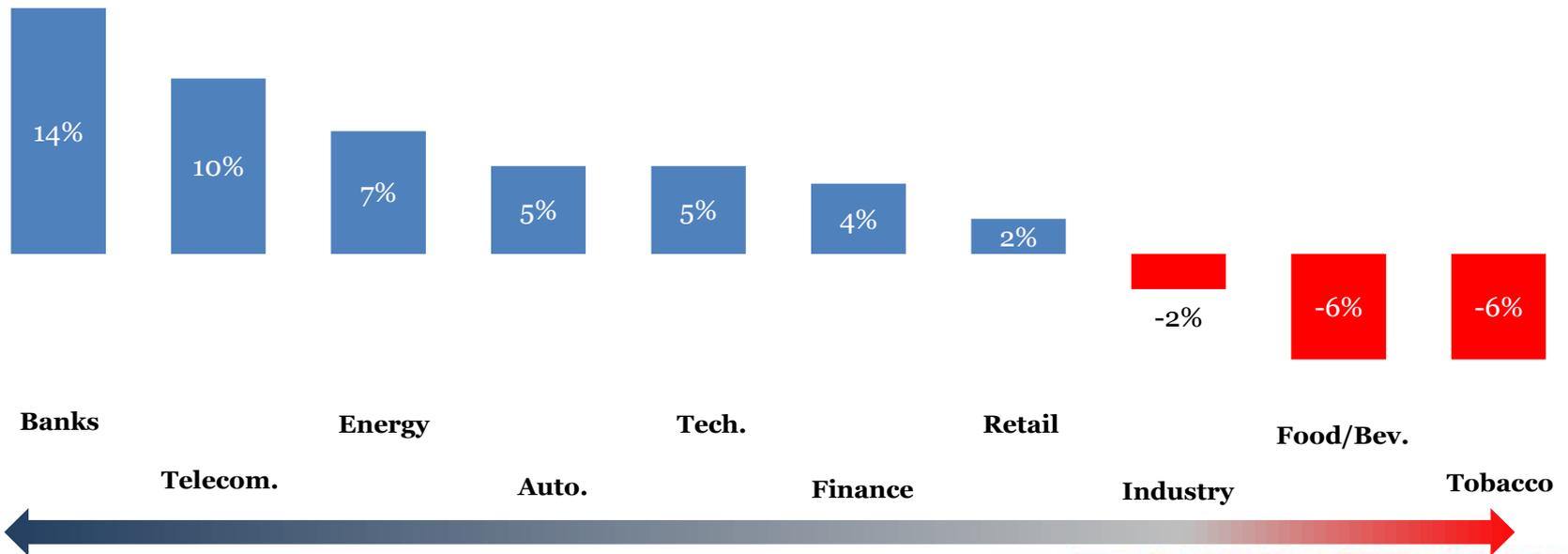


If a corporate sponsor of a muni is awarded a contract, I feel like they **might not have won in a fair way.**

BEST AND LEAST SUITED INDUSTRIES FOR CORPORATE SPONSORSHIP OF MUNT'S

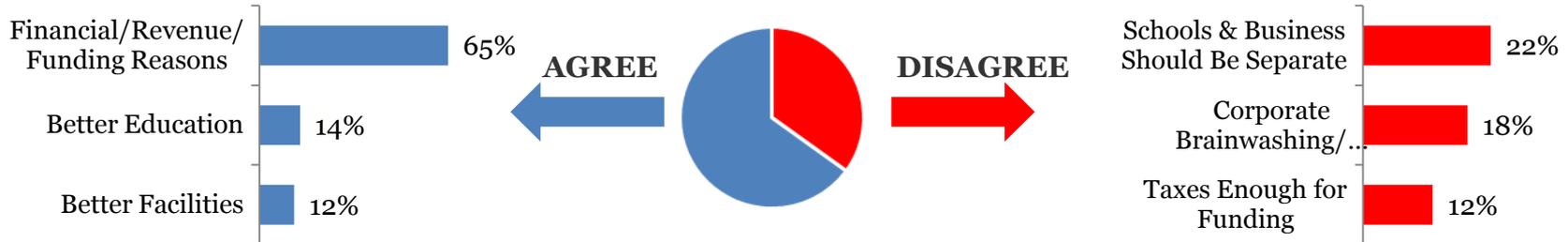
BEST SUITED

LEAST SUITED

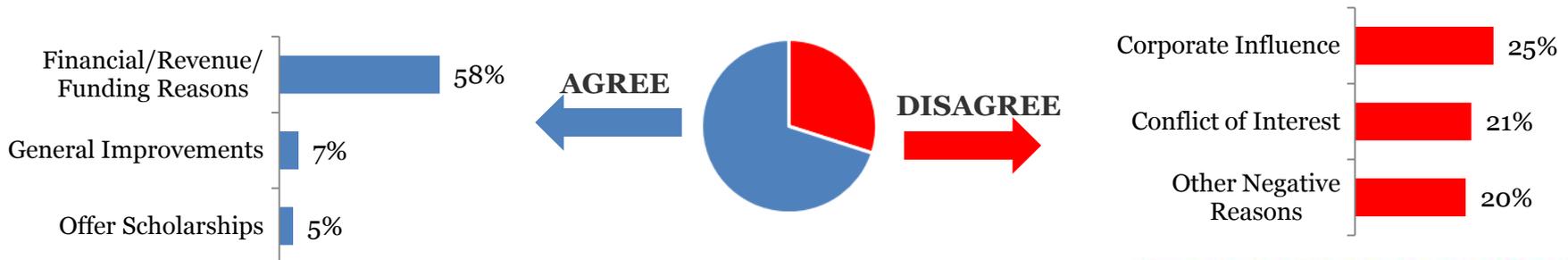


SPONSORSHIP IN SCHOOLS?

SECONDARY/HIGH SCHOOLS



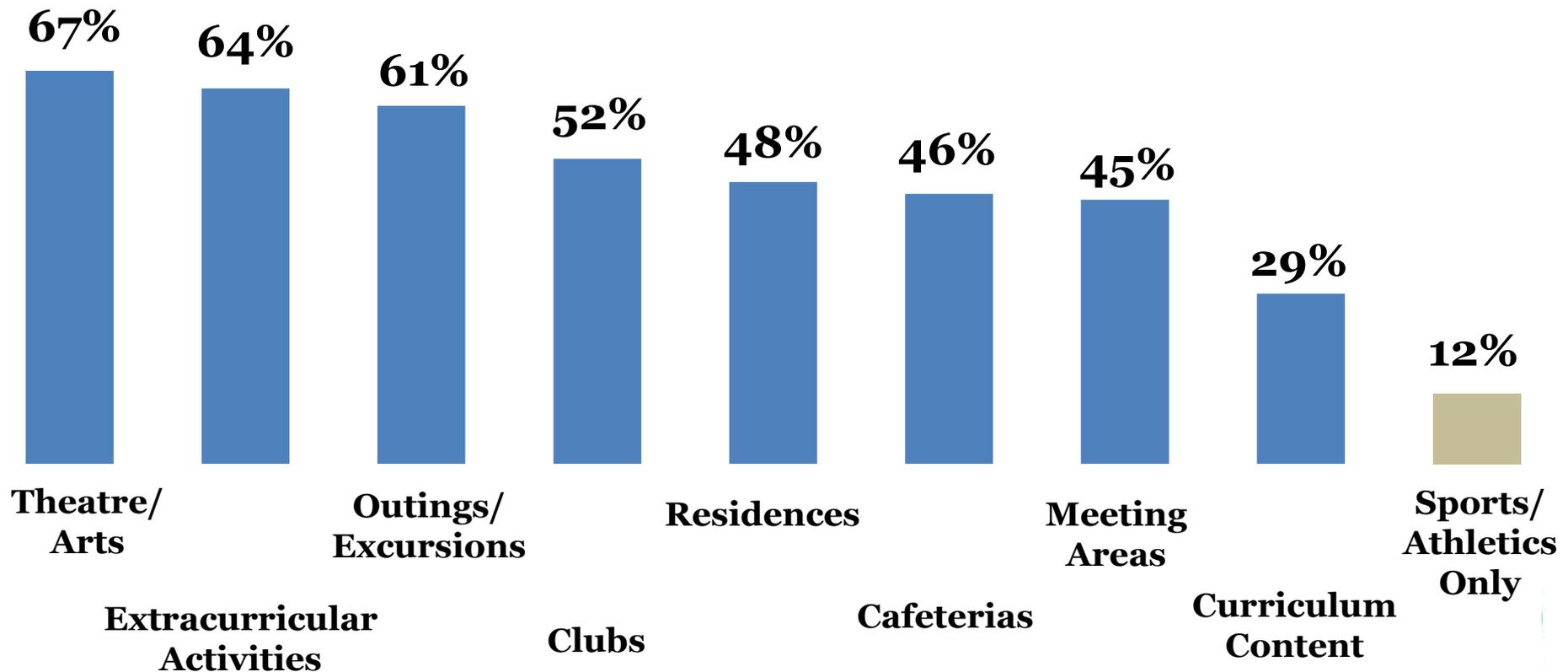
COLLEGES/UNIVERSITIES



SPONSORSHIP IN SCHOOLS?

APPROPRIATE AREAS TO SPONSOR

When businesses sponsor schools or universities, should it be sports/athletics only?



SHOULD YOU BE *IN THE GAME* OR NOT?



- ✓ Do you need additional revenues beyond user fees and taxes?
- ✓ Are users / citizens concerned about increasing tax rates and increasing user fees at facilities?
- ✓ Do you own rinks, parks, leisure centers, performing arts centers, programming, etc.?

SHOULD YOU BE *IN THE GAME* OR NOT?

- ✓ Do you presently have sponsorship policy in place?
- ✓ Are your constituents OK with corporate branding?
- ✓ Has there been due diligence in undertaking sponsorship
- ✓ Are you committed to doing sponsorship or is it ad hoc?



SHOULD YOU BE *IN THE GAME* OR NOT?

- ✓ Are you understanding of the non profits and charities with whom you will compete?
- ✓ Are you willing to integrate your procurement process with sponsorship
- ✓ Are you open to true partnerships?



TRENDING & RESEARCH

- ✓ A recent polling by **The Centre of Excellence for Public Sector Marketing** and **The Sponsorship Report** showed that over 65% of municipalities build internal capacity for selling sponsorships versus outsourcing the sales
- ✓ The study showed a lack of clear understanding about sponsorship marketing and professional revenue generation through sponsorship by municipalities

TRENDING & RESEARCH

- ✓ The study also reconfirmed that on average sponsorship **agreements take 18 to 24 months** from time of prospect clearance to closing



GETTING STARTED



1. Building an internal and external case for support
2. Asset Identification and Valuation
3. Developing Sponsorship Policy and Strategic Plan
4. Procurement Consideration
5. Building Internal Capacity or Outsourcing Sales

CITY OF EDMONTON

Gary Dewar

City of Edmonton

**Sales and Marketing Supervisor -
Community and Recreation Facilities**

Lead on Sponsorship and Partnership
Development for the City of Edmonton



CITY OF EDMONTON

What were the big issues in Edmonton?

- Considering an opportunity prior to any Sponsorship Policy
- Polarizing values and beliefs
- Conditions for success
 - renaming vs. naming new facilities and/or elements of
 - City's profile as owner/operator must be ensured
 - sponsors must be compatible with city values/mandate
- Operating agreements with partners



CITY OF EDMONTON

What were the big issues in Edmonton?

- Staff resistance
- Equal opportunity
- Inventory development and fulfillment
- Pros and Cons of “The City Calling”
- Revenue expectations – base vs. supplemental

CITY OF EDMONTON

What action was taken?

- Building a team to manage sponsorship sales and fulfillment
- Exploring a centralized partnership office
- Professional Development/Coaching Investment

CITY OF EDMONTON

Success Stories

- Elements of new rec centres green-lighted resulting in naming sponsorships with

- Realty Executives
- Subway
- Tirecraft
- Hockey Canada



- Program and event sponsorships Coca Cola, Chrysler, ATB, Laugh 'N Learn, Panago, Suncor, etc





terwillegar
community recreation centre

- ✓ \$160 million dollar centre opened in 2011
- ✓ 1.6 million visits 2013
- ✓ Aquatic Centre
- ✓ Fitness Centre and Indoor Running Track
- ✓ Realty Executive Flexihall
- ✓ Children's Wing
- ✓ 5 Retail spaces
- ✓ Subway® Arena

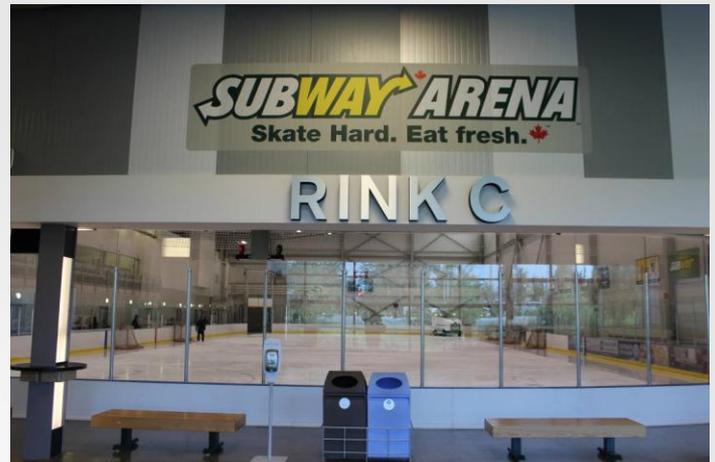


THE CITY OF
Edmonton

PARTNERSHIPGROUP
Sponsorship Specialists
www.partnershipgroup.ca

SUBWAY ARENA

- ✓ 4 NHL-sized ice sheets
- ✓ 20 dressing rooms
- ✓ 3 tournament rooms
- ✓ 3 multi-purpose rooms
- ✓ Skate sharpening/pro-shop



SUBWAY ARENA

Great Stick Handling Required

- ✓ Multiple stakeholders/decision makers
- ✓ Dueling bureaucracies
- ✓ Not one of the facility's commercial retail providers
- ✓ Discovery/negotiations through an agency
- ✓ 3rd party valuation de-stressed the negotiation process
- ✓ Naming Committee supported the name
- ✓ Council approved the agreement



SUBWAY ARENA

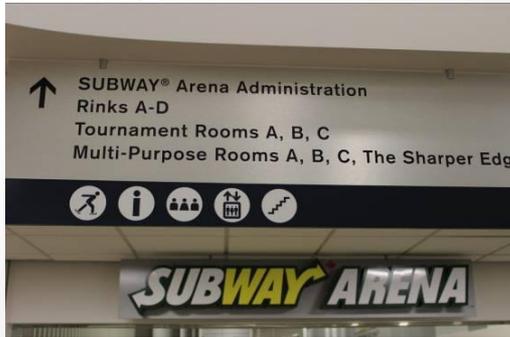
Rights and Recognition

- ✓ Naming Credit
- ✓ Category Exclusivity
- ✓ Marks and Logos
- ✓ Cash Card Give-aways and Contests
- ✓ Direct Consumer Marketing
- ✓ Staff Membership Discount
- ✓ Facility Use for Staff Meetings and Socials



SUBWAY ARENA

Signage



SUBWAY ARENA

Advertising



SUBWAY ARENA

Advertising



MORE EXAMPLES & THE FUTURE FOR MUNICIPALITIES AND CORPORATE SPONSORSHIP

EXAMPLE

\$37 million per year



EXAMPLES

Presently generate about \$5 million in sponsorship revenue

By 2016 expect to be generating annually about \$8.7 million

Have budgeted \$230,000 for staff and about \$550,000 for mentoring and support



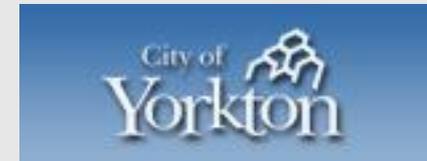
ALBERTA EXAMPLES



CALGARY
ECONOMIC
DEVELOPMENT



OTHER EXAMPLES



THE FUTURE

**There is no question of “if”
– just when!**



- The need for the revenue
- Must be done professionally
- Watching for errors
- An investment **versus** cost

THE FUTURE

- The successful organizations will be the ones that invest in “infrastructure” of sponsorship for the future like municipalities do roads and water



THE FUTURE



- Larger organizations, (who get in the game) will look to build long term internal capacity to keep the systems in house
- The smaller organizations may seek outside contract sponsorship sales services for 3-5 years to bring in the initial revenue and then switch to internal management and fulfillment

5 STEPS FOR A RECIPE TO SUCCESS



1. Build the case for support internally and externally
2. Develop policy and procurement consideration
3. Determine what you have to sell and value
4. Develop a plan for sales – sell professionally
5. Build relationships and fulfill partnerships

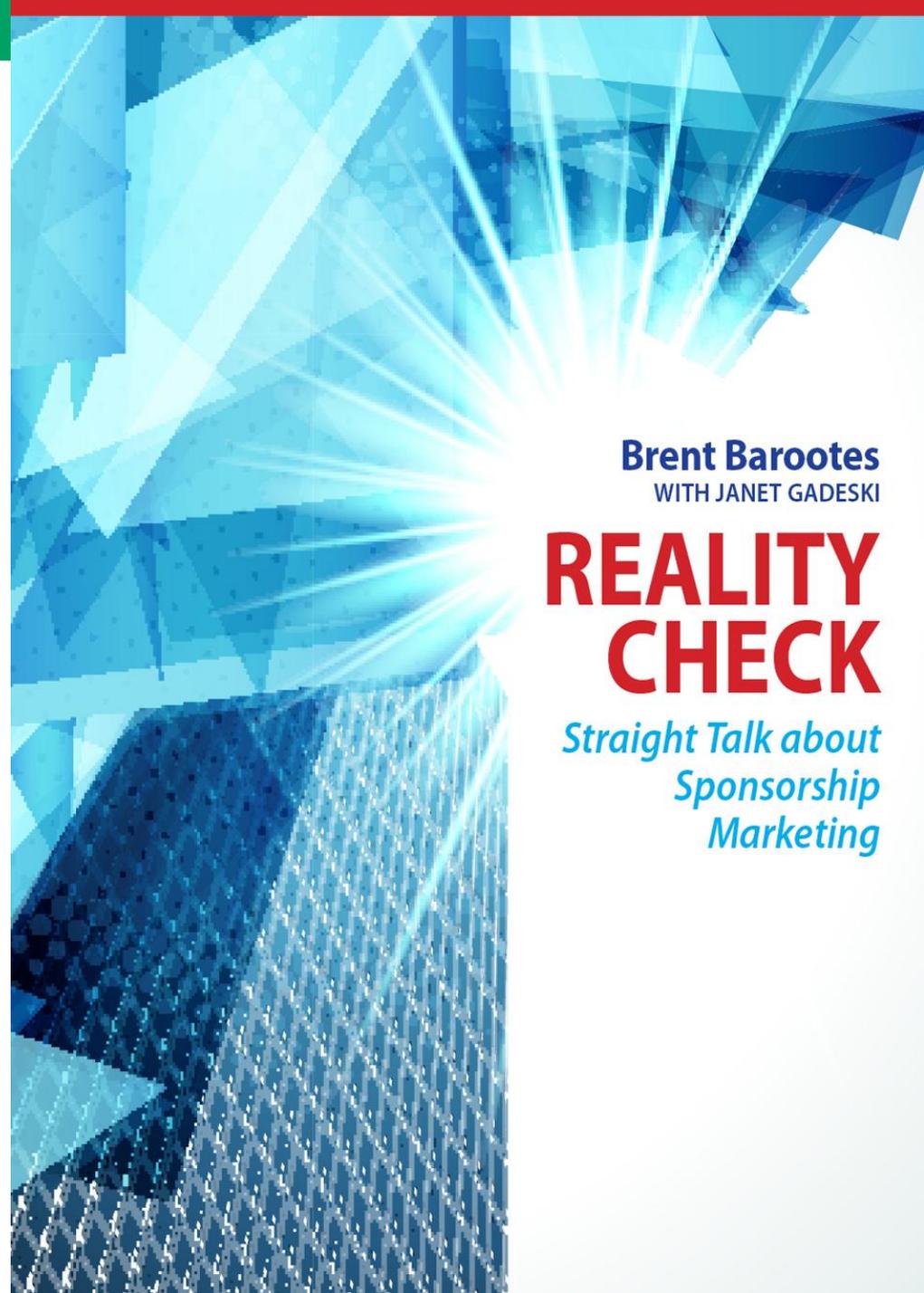
REALITY CHECK

*Straight Talk About
Sponsorship
Marketing*

Hilborn Publishing

<http://hilborn-civilsectorpress.com/products/reality-check>

#SponsorshipReality



Brent Barootes
WITH JANET GADESKI

REALITY CHECK

*Straight Talk about
Sponsorship
Marketing*

QUESTIONS



Thank You

Please visit [our website](#)
for more information

