



IEG SPONSORSHIP REPORT

The latest on sports, arts, cause and entertainment marketing

Sample Issue
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In Depth

Projection: Sponsorship Growth To Increase For Fifth Straight Year

Continuing a pattern begun in post-recession '03, sponsorship spending will grow at a faster rate in '07 than it did this year. Spending by North American companies should rise 11.7 percent next year, reaching \$14.93 billion, according to *IEG SR's* 22nd annual industry forecast.

That growth comes on the heels of a 10.5 percent spending increase in '06, slightly lower than the projection of 10.6 percent made a year ago. U.S. and Canadian companies spent \$13.37 billion on sponsorship rights fees this year.

Among the reasons for the rosy outlook: the emergence of new funding sources and the continued expansion of what is defined as "sponsorship."

Such factors account for the seeming discrepancy between double-digit growth projections and sponsors reporting they are holding the line on spending.

Increasingly, dollars not under the control of a designated sponsorship department or budget are being spent with traditional properties or allocated to partnerships that do not fit a narrow interpretation of what constitutes a sponsorship, thus they are not taken into consideration by sponsorship managers who may not even be aware of the new spending.

In addition, the *IEG SR* projections account for spending by North American companies
IEG Projections continued on page 4

Packaging

How A Property Turned A Lot Less Into A Lot More

When is a property that loses approximately 85 percent of its sponsors a success story? When that reduction is accompanied by an 115 percent increase in sponsorship revenue.

Such is the case with the American Society of Assn. Executives & The Center for Assn. Leadership, which jointly serve as a membership, lobbying and education resource for nearly 11,000 associations.

Since forming an operating partnership two years ago, the separate but interdependent legal entities have centralized sponsorship sales and servicing and moved from selling à la carte benefits to offering three sponsorship levels, each of which includes a package of significant benefits.

The result was a drop from more than 120 mostly low-level sponsors to 17 partners paying from \$50,000 to \$350,000 each and totaling more than \$2 million in annual revenue. That total, which is expected to grow with the signing of pending deals, represents
Packaging continued on page 2

WHO
American Society of Assn. Executives & The Center for Assn. Leadership

TAKEAWAY
Move to larger sponsorship packages and centralized selling pays off in fewer sponsors, bigger dollars.

STRATEGY

Bank Of America Adds Arts To National Portfolio

With extensive ties to NASCAR, baseball and golf under its belt, Bank of America Corp. (*IEG SR*, July 10, 2006) is adding a fourth pillar to its national sponsorship strategy: the arts.

"We see the arts as a key channel for us," said Ernesto Anguilla, spokesperson for Bank of America's global marketing group. "Arts properties have always been important to us on a local level, but now we are looking at how we can establish more programs on a regional or national level."

Previously, arts ties were managed exclusively by the company's 130 local market offices, along with grassroots community and cause sponsorships.

"Given how important (arts) organizations are to the economic development and quality of life of the neighborhoods we serve, it's critical that Bank of America invest in them," said Ray Bednar, the bank's senior vice president and global sponsorship marketing executive. "In addition, supporting these institutions—along with our various sports sponsorships—gives us powerful vehicles through
Bank of America continued on page 6

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Inside This Issue

Assertions

The **Museums on Us** program has been highly **successful** for its originator Fleet and its inheritor **Bank of America** (see p. 1). Thus it would appear to be an **easy decision to expand** it to more states. Is that in Bank of America's plans? Stay tuned.

From the "This-is-such-a-good-idea-why-didn't-anyone-think-of-it-before?" department: **American Express** also would seem to have a **repeatable hit** on its hands with its test this season of a **Members Lounge at The Mall at Short Hills** in northern New Jersey. Available **exclusively** to **AmEx cardholders**, the holiday shopping oasis offers complimentary snacks, refreshments, gift wrapping, coat check, seating, private restroom, and email and mobile device charging stations. Shoppers **without** AmEx cards can **apply** on site and receive **immediate access** to the lounge. A promotion that **rewards** existing customers, **incentivizes** new ones, and **enhances the experience** of visiting the property sounds **primed for a rollout** to other upscale retail destinations.

If **Sony** migrates its current U.K. marketing strategy across the pond, **museums, arts organizations** and other properties may be in line for **PlayStation sponsorships**, reports the **Victoria and Albert Museum's Nicole Newman**, who will be leading a workshop at IEG's *The Next Big Thing* conference (see p. 1). Attempting to be more than just the gaming console of choice for kids and young adults, the brand has struck deals with the **English National Opera**, **Sadler's Wells** dance theater, the **British Film Institute** and the V&A. The goal: **broaden PlayStation's appeal to older folks** by showcasing its music, DVD and interactive Web functions. To accomplish that, each deal allows consumers to **interact** with a performance or artwork live or via the Internet through PlayStation and PSP. Sony this month hosted live **Webcasts** of the opera's *La Bohème*, complete with **blogs** from the performers. In the museum's case, the sponsor and property collaborated on a **sculpture** that changes color and emits different sounds based on the movements of people around it. The piece was created by lighting designers and members of rap group **Massive Attack**.

You have to give credit to **Swedish** apparel company **WeAretheSuperlativeConspiracy**, or **WeSC**, for creating some buzz around their clothes by inventing the **fictional sport of streethorsing**, which purports to be about riding and jumping horses in urban settings in a similar fashion to the way that skateboarders and in-line skaters co-opt public spaces. The company has gone to great lengths to publicize the "sport," including **publishing a hardcover book** devoted to it and running ads featuring photos of streethorsers in action wearing WeSC leather jackets, etc. Streethorsing has earned **praise** from **trendspotters** who obviously weren't looking too closely, as well as **scorn** from **animal rights activists**. (Although some of those Web postings might also be fake, the work of WeSC attempting to generate further publicity.) On one hand, you could argue that the company has created an **exclusive, uncluttered** sponsorship opportunity for itself, but the benefits are **short-lived**. The conversation already has turned from "What's Streethorsing?" to "This is a cleverly disguised ad campaign." In the long run, sponsorship of **real** activities and people—which the company also does, working with DJs, artists and action sports athletes—**not an intriguing publicity stunt**, will have **real impact** on **brand equity**.

Jim Andrews

Packaging continued from page 1

the surpassing of a three-year goal in the new program's first 11 months.

Partnership Provides Impetus For Revamped Sponsorship Program

In '04, ASAE, the ASAE Foundation, The Center and the Greater Washington Society of Assn. Executives agreed to become two partner organizations that would share many resources.

The legacy organizations had offered sponsorship benefits through multiple departments and offices, and the resulting array of overlapping deals led officials at the newly formed partnership to recognize the need to work more effectively with sponsors going forward.

"There was no parity in what we were offering," said Liz Ware, vice president and chief rainmaker, who was tasked with crafting a unified, structured sponsorship sales strategy. "We had different departments offering different benefits and price points for separate events.

"One person from a company might be contacted by two or three different people in our organization about sponsorship, and none of the groups were in contact with each other," Ware said. "We couldn't coordinate our sales efforts, which meant that our industry partners couldn't coordinate their marketing efforts around our programming.

"That disconnected approach not only risked stagnating our sponsorship growth, but it also meant we weren't offering true value. We could have lost partners who couldn't justify the cost of sponsorship without a measurable return."

Indeed, the organization was receiving that feedback from sponsors and prospects.

"We told them the first thing we saw was a crowded marketplace, and we needed some exclusivity," said Ava Sones, manager of partner business development for the Canadian Tourism Commission, which sponsors using funds from constituent organizations such as Fairmont Hotels & Resorts Inc., Tourism Toronto and Travel Alberta. "I had to see more clearly defined benefits and opportunities for ROI before I could ask those organizations to fund this sponsorship."

An additional consideration for Ware was that the decentralized sales process was time-consuming and inefficient. "We were spending more time managing a sponsorship of a reception than on a larger \$25,000 partnership. And we couldn't even figure out how much time was being allotted to sponsorship sales and management because everything was decentralized."

How The Turnaround Was Accomplished

ASAE & The Center took the following steps in developing a centralized, strategic sponsorship approach:

Hired a consultant to inventory assets, value benefits and provide strategic recommendations. "We had to understand the assets that we had on hand, how they could fit in with our partners' needs to help them generate new business, and what they were worth in the marketplace," Ware said.

Attempting to do that on its own would not have been effective for her organization, she added. "We needed it to be completely objective, which we couldn't have been ourselves."

Centralized its sales team. Based on feedback from the consulting firm, ASAE & The Center concentrated its sponsorship sales operations in one department, which also oversees fundraising and advertising sales. For internal reasons, the organization elected to keep responsibility for expo sales separate.

STRATEGY

Reboot: CA Makeover Includes New Sponsorship Program

As IT management and enterprise software company CA, Inc. overhauls itself, it also is revamping its sponsorship focus.

The company, which changed its name earlier this month from Computer Assocs. Int'l, Inc., is leaving the technology platform of Formula 1 racing in favor of golf, which it intends to use to build B2B relationships.

CA signed a partnership last month with the Int'l Federation of PGA Tours World Golf Championships, which includes title of a new event in Miami beginning in March '07. The WGC has two other events in the U.S., one in England and a floating World Cup tournament, which this year will be held in Barbados.

The rebranding and new sponsorship program come on the heels of the company hiring a new executive team and reorganizing its accounting, legal and

other departments following a high-profile accounting scandal that surfaced in '04.

The company has dropped its nine-year tie to the West McLaren Mercedes F1 team, which it used to showcase its ability to help build sophisticated electronic operational systems.

"The WGC sponsorship consolidates and reallocates existing CA marketing dollars into a fully integrated program that puts greater focus on building strong relationships with customers," said chief marketing officer Don Friedman, a former IBM Corp. marketing executive who joined CA last year.

CA preferred WGC to Formula 1 for several reasons. For one, the sponsorship provides much greater branding and hospitality in the U.S., the company's largest market, said Joan Blackwood, senior vice president of worldwide marketing.

In addition, golf holds more interest among CXOs and other U.S.-based IT decision-makers, she noted. "Formula 1 is incredibly popular in Europe, but it hasn't really caught on in the U.S."

On top of that, golf provides more opportunities to engage customers and prospects through pro-ams and other ancillary events, Blackwood said. "Golf is more participatory than motorsports."

In addition to the WGC-CA Championship, the company will entertain clients and prospects at the four other WGC events. The company will focus on a broad swath of execs including CXOs, vice presidents and IT personnel.

"At the end of the day, one person signs a contract for enterprise software, but the average sale includes 13 influencers,"

WHO
CA, Inc.

TAKEAWAY

Software maker's primary objective moves from showcasing technology to hospitality.

said Blackwood, who plans to host roughly 1,000 customers at the CA Championship.

The company will track awareness, preference and consideration, as well as new and incremental business to determine success, Blackwood said.

"Hospitality is a tactic that influences a sale, but doesn't necessarily make a direct sale," she said. "We hope our selling cycle will shorten or our transactions will become larger as a result of client entertainment." Blackwood said the average CA transaction takes six to nine months to complete.

The company also is looking for ways to leverage its technology on behalf of the PGA Tour and help improve fans' experiences.

The CA Championship will replace the Ford Championship at Doral on next year's PGA Tour schedule. Ford Motor Co.'s Ford Division opted not to renew its four-year title sponsorship following next month's event.

The troubled automaker also is dropping its title of the Senior Players Championship, one of five Champions Tour majors. That tournament will move from Dearborn, Mich. to Baltimore in '07 and will be titled by Constellation Energy Group, Inc.

SOURCE

CA, Inc., Tel: 631/342-6000

B2B HOT BUTTONS AND METRICS

Primary objectives for business-to-business marketers and their chief measurements for determining return on investment.

Hot Buttons

- Entertain clients and prospects
- Demonstrate products and services
- Incent sales force and distributors
- Access cosponsors for networking and sales
- Sell products and services to rightsholder
- Raise company profile

Metrics

- Value of incremental business from existing clients
- Value of business from new clients
- Value of sales to cosponsors
- Value of sales to rightsholder
- Demand for hospitality benefits from sales force

Packaging continued from page 2

Surveyed top sponsors. To gain a better understanding of what sponsors expected from the property, Ware conducted surveys and held one-on-one meetings with corporate partners to ascertain their needs, as well as how the organization could build a stronger bond with its partners.

Provided better access to members.

One of the outcomes of talking to sponsors was finding out that "they would be willing to do more business with us if we could give them more access to our members," Ware said. ASAE has more than 22,000 association staff and industry partner members.

As a result, "we built sponsorship packages that put sponsors in direct contact with the members they want to reach," said Ware. "That's something that we have never done in the past."

Bundled benefits into discrete sponsorship levels. ASAE & The Center now offers sponsorships at the Event Partnership, Corporate Partnership and Strategic Partnership levels. The three are priced at \$50,000, \$100,000 and \$250,000-\$350,000, respectively.

The changes to the sponsorship program have raised the value of its partnerships in the eyes of sponsors and prospects.

"It eliminated the 'logo soup' that we and many other sponsors worry about," said the CTC's Sones.

ASAE & The Center currently has four strategic partners: CTC; Fort Worth Convention & Visitors Bureau; the Gaylord Hotels division of Gaylord Entertainment Co.; and TMA Resources, Inc.

The property also has 11 corporate partners and three event partners.

SOURCES

Canadian Tourism Commission, Tel: 604/638-8300
American Society of Assn. Executives & The Center for Assn. Leadership, Tel: 202/371-0940

Projection: Sponsorship Growth To Increase For Fifth Straight Year continued from page 1

AT ISSUE

IEG SR's annual forecast and review of sponsorship spending

TAKEAWAY

Nontraditional partnerships and funding sources combine with high interest in international properties to boost North American companies' spending by nearly 12 percent.

in their home countries as well as around the globe. Unless the source is someone with knowledge of international budgets, the company's spending growth will likely be under-reported, especially since sponsorship opportunities are rapidly multiplying in parts of the world where the industry is less mature.

Global Warming To Sponsorship

Led by tremendous interest in and opportunities for sponsorship in Asia, especially China, sponsorship spending by companies based outside North America should grow at rates even higher than for their U.S. and Canadian counterparts.

Overall, including North American spending, '07 global expenditures on sponsorship should hit \$37.7 billion, an 11.9 percent increase over this year's \$33.7 billion. Excluding North American companies, spending should rise 12.3 percent from \$20.3 billion to \$22.8 billion. Global spending including North America rose 10.5 percent in '06, just under IEG SR's projection of 10.8 percent. Taking out North American companies, spending rose 10.3 percent, which was less than the 11 percent prediction.

Specifically, European companies will raise sponsorship spending by 11.6 percent from \$9.5 billion in '06 to \$10.6 billion next year; Asia Pacific companies will hike budgets 15.6 percent from \$6.4 billion to \$7.4 billion; Central and South American companies will see an 11.1 percent jump from \$2.7 billion to \$3 billion; and companies based in all other regions will grow expenditures 5.9 percent from \$1.7 billion to \$1.8 billion.

Top Sponsors List Nearly Becomes "IEG SR 100"

The number of U.S.-based companies spending more than \$15 million on sponsorship grew from 85 in '05 to 96 in '06 (see table). Fifteen sponsors are new to the rankings, while four that appeared last year are no longer on the list.

- For many of the newcomers—such as Diageo, ALLTEL, Texas Instruments, Lucas Oil, Brown-Forman, Caterpillar and Interstate Batteries—the bulk of their spending is for primary sponsorship of a NASCAR Nextel Cup entry. For most of those companies NASCAR deals were not new in '06, but spending on other, smaller deals tipped them over the \$15 million mark.
- Of the four who disappeared from the rankings, two were the result of mergers. MCI, formerly number 48, was acquired by Verizon (number 19), while MBNA, number 78 in '05, was bought out by Bank of America (number 15). The other two were John Hancock Financial Services, Inc. (formerly number 25)—which dropped its MLB tie and had its TOP sponsorship officially taken over by its parent, Manulife Financial Corp., which as a Canadian company is not on the list—and Xerox Corp. (formerly number 83) which has not signed new deals to replace the TOP deal it ended in '04.

Growth Of Advertising And Sales Promotion Spending Remains Slow

Expenditures for traditional media advertising in North America are predicted to grow only 2.4 percent in '07, down from the 2.9 percent growth experienced this year, according to the worldwide media and marketing forecast produced by GroupM, the global media investment management operation of WPP Group plc.

U.S. spending on consumer and business-to-business promotions is projected to rise 3.8 percent in '07, the same rate as in '06, according to the annual communications industry forecast from merchant bank Veronis Suhler Stevenson. (For a comparison of sponsorship, advertising and promotions growth over the past four years, see Chart 1)

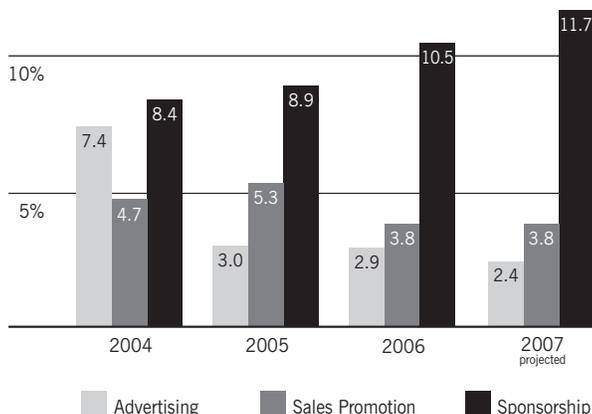
All Property Types To Experience Double-digit Growth In '07

While entertainment tours and attractions, associations and membership organizations, and festivals, fairs and annual events are projected to do slightly better than their counterparts in sports, causes and the arts, all six categories should experience strong overall revenue increases next year.

The percentage of total sponsorship spending claimed by each category should remain unchanged from '06 (see Chart 2).

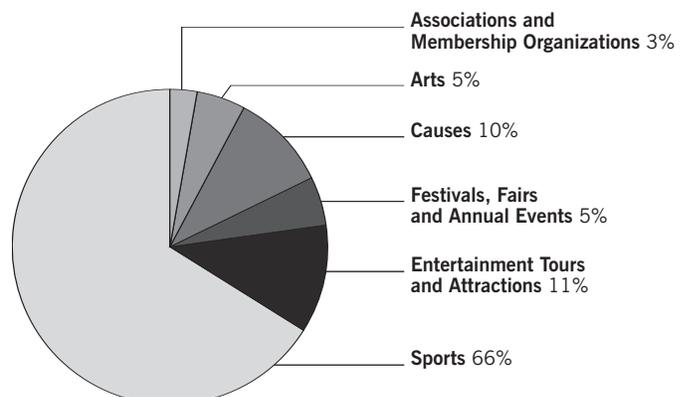
Projected dollar amounts by category are sports: \$9.9 billion, up 10.8 percent from \$8.94 billion in '06; entertainment tours and attractions: \$1.6 billion, up 16.2 percent from \$1.38 billion; causes: \$1.44 billion, up 10.5 percent from \$1.3 billion; arts: \$820 million, up 10.4 percent from \$743 million; festivals, fairs and annual events: \$701 million, up 15.1 percent from \$609 million; and associations and membership organizations: \$466 million, up 15.3 percent from \$404 million.

Chart 1: Annual Growth Of Advertising, Sales Promotion And Sponsorship



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Chart 2: Projected 2007 North American Sponsorship Spending By Property Type



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- The nine largest spenders all maintained their positions, while Visa joined the top 10 thanks mostly to the expiration of former number 10 McDonald's deal with Disney.
- Toyota Motor Sales made the largest leap of any of the existing companies in the rankings, moving from number 42 to number 22 after it doubled sponsorship spending this year on behalf of its various Toyota models, especially its Tundra trucks. On the other hand, Ameriquest had the largest fall of any company still on the list, dropping from number 34 to number 91 as it let go

of many pro sports deals while maintaining its NASCAR team ties and title of the MLB Texas Rangers ballpark.

- Newcomer Adidas North America joined sibling Reebok on the list this year. Even though the two companies are under the same ownership, their parent, Adidas AG, is based in Germany and not eligible for the list. Because the two U.S. entities are managed independently, they appear separately in the rankings.

For an alphabetical list of the top sponsors, as well as an index by industry category, please visit IEGSR.com/07projections

Top U.S. Sponsors: Companies Spending More Than \$15 Million

\$30 MILLION TO \$335 MILLION			
AMOUNT	COMPANY	2006 Rank	2005 Rank
\$330M-\$335M	Anheuser-Busch Cos.	1	1
\$305M-\$310M	PepsiCo, Inc.	2	2
\$230M-\$235M	General Motors Corp.	3	3
\$225M-\$230M	The Coca-Cola Co.	4	4
	Nike, Inc.	5	5
\$175M-\$180M	Miller Brewing Co.	6	6
\$150M-\$155M	Daimler Chrysler Corp.	7	7
\$140M-\$145M	Ford Motor Co.	8	8
\$135M-\$140M	Sprint Nextel Corp.	9	9
\$120M-\$125M	Visa	10	11
\$115M-\$120M	McDonald's Corp.	11	10
	MasterCard Int'l, Inc.	12	14
\$110M-\$115M	The Procter & Gamble Co.	13	13
	FedEx Corp.	14	15
\$105M-\$110M	FedEx Corp.	14	15
\$100M-\$105M	Bank of America Corp.	15	17
\$95M-\$100M	AT&T, Inc.	16	18
	IBM Corp.	17	16
\$85M-\$90M	Eastman Kodak Co.	18	12
\$80M-\$85M	Verizon Communications, Inc.	19	23
\$60M-\$65M	Motorola, Inc.	20	19
	Molson Coors Brewing Co.	21	20
	Toyota Motor Sales U.S.A., Inc.	22	42
\$55M-\$60M	The Home Depot, Inc.	23	21
\$50M-\$55M	J.P. Morgan Chase & Co.	24	22
	Shell Oil Co.	25	24
	Reebok Int'l Ltd.	26	35
\$40M-\$45M	Altria Group, Inc.	27	26
	American Airlines	28	27
	DuPont Co.	29	28
	ChevronTexaco Corp.	30	30
	Cingular Wireless, LLC	31	32
	Time Warner Inc.	32	31
\$35M-\$40M	American Express Co.	33	37
	Kellogg Co.	34	33
	Qwest Communications Int'l, Inc.	35	36
\$30M-\$35M	Sony Corp. of America	36	41
	Yum Brands, Inc.	37	44
	Delta Air Lines, Inc.	38	39
	Target Corp.	39	40
	American Honda Motor Co.	40	56
	United Parcel Service	41	43
	U.S. Army	42	38
	Diageo North America, Inc.	43	-

\$15 MILLION TO \$30 MILLION				
AMOUNT	COMPANY	2006 Rank	2005 Rank	
\$25M-\$30M	Microsoft Corp.	44	46	
	Accenture Ltd.	45	47	
	Cadbury Schweppes Americas Beverages	46	50	
	Lowe's Cos.	47	51	
	Wachovia Corp.	48	45	
	Mars, Inc.	49	52	
\$20M-\$25M	General Mills, Inc.	50	53	
	The Allstate Corp.	51	-	
\$15M-\$20M	Pfizer Inc.	52	49	
	Johnson & Johnson	53	-	
	Nestlé USA, Inc.	54	55	
	Wells Fargo & Co.	55	-	
	United Airlines	56	57	
	Sears Holdings Corp.	57	58	
	Exxon Mobil Corp.	58	60	
	ALLTEL Corp.	59	-	
	Subway Restaurants	60	62	
	Hewlett-Packard Co.	61	29	
	Samsung Electronics America, Inc.	62	68	
	Sirius Satellite Radio, Inc.	63	63	
	\$15M-\$20M	Nissan North America, Inc.	64	64
		Intel Corp.	65	72
		Georgia-Pacific Corp.	66	65
General Electric Co.		67	66	
DHL Holdings (USA), Inc.		68	-	
Canon U.S.A., Inc.		69	74	
Texas Instruments Inc.		70	-	
Sara Lee Corp.		71	59	
Yahoo! Inc.		72	61	
ConAgra Foods, Inc.		73	54	
Hershey Foods Corp.		74	70	
Ashland Inc.		75	71	
Lucas Oil Products Inc.		76	-	
Continental Airlines, Inc.		77	73	
Charles Schwab & Co.		78	67	
Office Depot, Inc.		79	69	
Nationwide Financial Services, Inc.		80	75	
Lenovo Group Ltd.		81	76	
ADT Security Services, Inc.		82	77	
Unilever United States, Inc.		83	82	
Sunoco, Inc.		84	81	
BellSouth Corp.		85	79	
Black & Decker Corp.		86	80	
Burger King Corp.		87	-	
Adidas North America Inc.	88	-		
Advance Auto Parts, Inc.	89	84		
XM Satellite Radio, Inc.	90	85		
Ameriquest Capital Corp.	91	34		
Sharp Electronics Corp.	92	-		
Best Buy Co.	93	-		
Brown-Forman Corp.	94	-		
Caterpillar, Inc.	95	-		
Interstate Battery System of America, Inc.	96	-		

Bank of America continued from page 1

which we can communicate with customers and prospects.”

Indeed, research conducted by Bank of America “shows that customer avidity to the arts is very high and improves loyalty and overall brand favorability,” Anguilla added. “This is another channel through which we can touch our customers to show them the power of our brand.”

It would be practically impossible for Bank of America to “own” the arts in a similar way to how it blankets baseball and stock car racing through national and grassroots investments as part of its “concentrate to dominate” national sponsorship strategy. Instead, the company is focusing on multi-market opportunities where it can be sole sponsor, Anguilla said.

Case in point: The bank will sponsor *Matisse: Painter as Sculptor*, which kicks off next month at the Dallas Museum of Art. The exhibition will then visit the San Francisco Museum of Modern Art and the Baltimore Museum of Art over the following 14 months.

Bank of America also currently serves as the exclusive national-level sponsor of *Americans in Paris, 1860-1900* at The Metropolitan Museum of Art in New York City. The exhibition, which originated at The National Gallery in London, had its first U.S. stop this summer at the Museum

of Fine Arts, Boston, where the bank also served as sole national-level sponsor.

In addition, Bank of America this year expanded the nine-year-old Museums on Us program it conducts in the Northeast to include a ninth state, Delaware. The program offers free admission to more than 50 cultural institutions during the month of May to anyone showing a Bank of America debit, credit or ATM card.

The bank also has expanded the proprietary program to consumers with a credit card issued by MBNA Corp., a company it acquired earlier this year.

The Art Of Decision-making

Even though it is adopting corporate-level responsibility for arts sponsorship, Bank of America has implemented a bottoms-up approach to identifying and selecting arts opportunities.

Rather than headquarters spearheading programs, the bank has charged local market offices with looking for deals that can be leveraged regionally or nationally from both marketing and philanthropic angles.

“We’ve been told to look for programs that can impact multiple markets,” said Gillian Breidenbach, who as vice president, Dallas market development, helped secure the Matisse sponsorship.

The opportunity to sponsor the sculpture

WHO

Bank of America

TAKEAWAY

Multi-market arts partnerships will play a larger role in company’s sponsorship program.

exhibition came to light through Bank of America Texas president Walter Elcock, who also is president of the Dallas Museum of Art’s board of trustees. The museum was leading an effort to package a national tour for the exhibition it co-organized with the Baltimore museum and the Nasher Sculpture Center.

After gaining additional information on the opportunity, Breidenbach reached out to Bednar to gauge interest in a multi-market sponsorship.

Like *Americans in Paris*, the Matisse exhibition piqued corporate’s interest because of its routing schedule to markets where the bank has a significant presence, Anguilla said. The bank also was drawn to the opportunity to be the exhibition’s exclusive sponsor and the ability to leverage the tie with client hospitality across multiple lines of business.

“Those elements have to be there if we are going to commit corporate dollars to a program,” said Anguilla.

Bank of America is paying for the sponsorship and related activation through a mix of marketing and foundation dollars from both corporate and local budgets, Breidenbach said.

On the marketing front, funds will go in part toward entertainment, including inviting key contacts to a black-tie gala around the exhibition opening.

On the charitable giving front, Bank of America is tapping national and local foundation dollars to underwrite exhibition admissions for schoolchildren.

“We try to use sponsorship strategically. We can talk to parents, teachers and school districts about our brand, and we can also support education-related programs, a key component to our involvement in the arts,” she said.

Other Bank of America markets that already have identified the arts as a main component of their marketing strategy include Boston; Kansas City; Miami; Portland, Ore.; and Richmond, Va., Anguilla said.

SOURCES

Bank of America Corp., Tel: 704/386-2095
Bank of America Corp., Dallas, Tel: 214/209-1370
Dallas Museum of Art, Tel: 214/922-1200

French Lessons

Bank of America plans to incorporate what it learned from *Americans in Paris* into its activation programs around the Matisse exhibition.

For example, the Dallas office plans to follow the lead of its Boston counterpart by touting the exhibition at local restaurants, bars and stores. In exchange for hanging posters or displaying Matisse-themed p-o-s material, Bank of America will provide business owners with complimentary tickets they can use on their own or offer to employees and/or customers.

“Our people in Boston had tremendous success with that type of activation,” noted Breidenbach. “A bar created a signature cocktail around the exhibition and restaurants created appetizers tied to it. It’s a great way for us to play up our involvement in the community and at the same time talk to those businesses about their banking needs.”

Breidenbach also noted that corporate’s support of the Boston exhibition helped free up local marketing dollars for activation, a pattern that will be repeated in Dallas for Matisse.

For example, the local office originally planned to tout the exhibition in 50 branches located near the Dallas Museum of Art. With corporate’s dollars now in the mix, the local market now plans to promote the exhibition in all of its banks within a 150-mile radius of Dallas.

“We can use more local dollars to reach more than 200 retail banking centers,” she said. “We’ll be able to touch Fort Worth, Waco and other markets. It really adds scope to this program.”

The Dallas-area Bank of America office also will tout the sponsorship in bank statements and through incremental TV and print buys, Breidenbach said.

SELLING

Strategic Approach Helps Dallas Museum Paint Better Sponsorship Picture

The Dallas Museum of Art has increased its sponsorship revenue by nearly 40 percent since undertaking a three-year overhaul of its sponsorship sales program.

The revamp was prompted in large part by the growing number of companies interested in aligning with the museum as marketing partners rather than corporate donors.

“We were talking much more frequently to people involved with marketing as opposed to corporate giving, and they were asking tougher questions related to demographics and sales opportunities,” said Jeff Serrano, the museum’s director of corporate relations.

“We realized we had to change our approach on how we dealt with them and come up with ways to accomplish our mission and their mission at the same time.”

Serrano and director of development Diana Duncan said that the new strategy could not have been put in place overnight.

It took time for the museum’s board of trustees to buy into the changes and for the property to get things in order before it could fully begin implementing the new plan.

But the effort eventually paid off, with the venue deepening relations and generating incremental revenue from Bank of America Corp. (see p. 1), Starbucks Corp., and other business partners.

Below, four steps that Serrano, Duncan and their colleagues took to shift the museum’s sponsorship sales effort into a higher gear.

Step 1: Gain best practices from industry peers. Seeking feedback from his counterparts in other markets, Serrano reached out to other art museums

in early ’03 to find out how they were dealing with corporate sponsors.

Through telephone and email conversations, Serrano asked a variety of questions such as the number of corporate partners each museum worked with, the number of admission tickets they included in various sponsorship packages, and the types of events they hosted for their corporate partners.

After compiling the information, Serrano hosted a round-table discussion with corporate partners, staff and trustees to gain feedback on the findings and, more specifically, what changes the museum should implement.

The corporate representatives made several suggestions, such as reducing the number of admission tickets the museum included in its sponsorship packages—“they felt we were giving them away for free,” Serrano said—and including additional assets such as tickets to gala events.

With those learnings in hand, Serrano approached the museum’s relevant department heads to gain internal buy-in and access additional benefits that could be bundled into sponsorship offerings.

As a result, the museum now offers tickets to special functions and discounted catering and beverage services to its corporate sponsors, both of which it had never offered before, Serrano said.

Step 2: Combine corporate membership and sponsorship programs.

The museum also decided to meld its corporate membership and corporate partnership packages into one corporate partner program.

The packages now offer sponsors more robust benefits, such as tickets to the museum’s Art Ball, an asset that was previously offered only to corporate members.

“The additional benefits give us another opportunity to showcase our services to the corporate sector and position the museum as a one-stop shop for entertainment and client privileges,” Serrano said.

Step 3: Discover true value of assets.

Another factor in the museum’s success was determining the fair market value of its sponsorship packages. In ’05, the museum hired an outside consultant to value its packages, including one for sole sponsorship of the *Matisse: Painter as*

WHO

Dallas Museum of Art

TAKEAWAY

Meeting the marketing needs of corporate partners attracts increases in spending.

Sculptor exhibition opening next month.

“It was imperative to have someone from outside the museum do that,” Serrano said. “We had never done that in the past, and we had no background to fall back on.”

In addition to placing a value on existing benefits in the museum’s sponsorship packages, the consultant helped identify and value assets the venue had not previously offered.

For example, the consultant helped place a value on the museum’s mailing list, an asset it credits with helping secure the deal for Bank of America to sponsor the Matisse exhibit.

“That’s another piece of inventory that we previously failed to take advantage of,” Serrano said.

Step 4: Integrate partners into the on-site experience. The museum also credits its sponsorship sales success to understanding the goals of its corporate partners and finding ways to align them with visitors’ experiences.

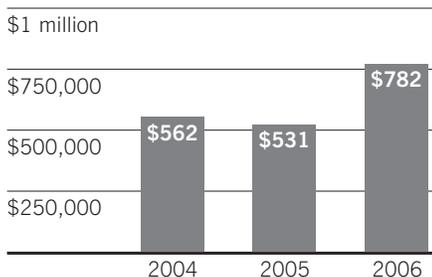
“We found we could really compete in the marketing arena by doing a better job of integrating the needs of our sponsors with what happens when someone visits the museum. That helps us enhance the experience of our visitors and our sponsors at the same time,” Duncan said.

For example, Starbucks has served since ’04 as presenting sponsor of Late Nights, a program that runs on the third Friday of every month.

This year, the museum created a sampling program that matches coffees from Africa, Latin America and Indonesia with art from those regions.

“It’s been a great way for us to get more deeply involved with the museum,” said Gaye McGee, Starbucks regional marketing manager.

Dallas Museum Of Art Sponsorship Revenue



Source: Dallas Museum of Art

SOURCES

Starbucks Corp., Tel: 206/447-1575

Dallas Museum of Art, Tel: 214/922-1200

SEEKING DEALS

Mazda Zooms Into Events Targeting Young Car Buyers

Looking to strengthen its connections with 18-to-34-year-olds, Mazda North American Operations has added event marketing to its mix and is scouting additional opportunities that help promote its youthcentric positioning.

The auto marketer launched its young-adult marketing effort last year with a tie to the XM Satellite Radio Hot Import Nights presented by Valvoline series of car shows and lifestyle events.

It recently conducted a 16-city mobile marketing mall tour to promote its new MazdaSpeed3 model and the vehicle's inclusion in Electronic Arts Inc.'s new video game *Need for Speed Carbon*.

Such events represent new territory for MNAO, whose sponsorships have been focused in recent years on motorsports properties such as the American Le Mans Series and SCCA Pro Racing Speed World Challenge to support its vehicles' high-performance positioning.

"We're always looking out for new ways to target the youth market and expand our consumer base," said James Jordan, MNAO's alternative marketing manager, who is tasked with reviewing and activating the company's youth-focused marketing and sponsorship initiatives.

"The youth demographic is very media savvy. They tune out a lot of conventional advertising, so we have to find alternative ways to market to them and get them to engage with our brand," he said.

"From music to video games to the Internet, we have to use those mediums as a way to reach them. These alternative marketing programs are critically important."

The activation effort created by agency Channel M around Mazda's participation in *Need for Speed Carbon* involved EA and video game retailer GameStop Corp.

Last month's mall tour displayed a MazdaSpeed3 at each stop and included a game tournament that culminates in a national tourney in Las Vegas; the grand prize winner will receive a MazdaSpeed3.

In addition, GameStop promoted the game and the vehicle through in-store TV networks, p-o-s materials, branded bags, bag inserts and other collateral at its 3,600 GameStop and EB Games stores.

"We had hundreds of people at each event watching the players and asking for more information about the car, which was on display with a product specialist who could answer questions," Jordan said.

"We were able to collect information from visitors on site, as well as through online registrations, so we can go back six months from now and see if the program resulted in sales."

What Mazda Wants

When scouting young-driver-oriented deals, Jordan looks for the following:

Opportunity to play up "zoom-zoom" positioning. "All of our sponsorships have to include motion in them—some way to engage people in movement—whether that is through music, interacting with our cars in a video game or taking people on a ride-and-drive," Jordan said. "Everything we do has to have a participatory element."

Space to offer ride-and-drives.

Mazda looks for opportunities to incorporate its Zoom-Zoom Live ride-and-drive program into sponsored properties, said

WHO
Mazda

TAKEAWAY

Properties that reach 18-to-34-year-olds should consider targeting the automaker.

Jordan, noting that the program provides measurable ROI.

"We were able to take data from last year's events and compare it to vehicle sales six months later," Jordan said. "That always makes it easier for us to go back and sell a program internally."

Mazda wanted to offer ride-and-drive events at Hot Import Nights but was unable to do so due to timing issues, Jordan said.

Viral and Internet components.

Viral marketing and the Internet are key components of Mazda's youth-focused initiatives. For example, the company is leveraging *Need for Speed Carbon* through in-game advertisements and will leak cheat codes through its Web site.

Mazda also plans to post video footage of the *Need for Speed Carbon* tournament events on its site and will refresh the content on a regular basis to bring visitors back.

"We are going to be putting other elements of the game up on our Web site and tie it back to the vehicle launch," Jordan said.

Motorsports continues to play an important role in Mazda's marketing strategy.

The company earlier this year signed a new sponsorship of the Cooper Tires presents the Champ Car Atlantic Championship powered by Mazda, a series for which it also is an engine supplier.

MNAO also sponsors the Mazda Raceway Laguna Seca in Monterey, Calif.

Director of marketing David Klan and senior vice president of sales and marketing Brian Colianni review and sign off on MNAO motorsports ties.

MNAO is a unit of Hiroshima, Japan-based Mazda Motor Corp.

SOURCE

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