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National Sports Forum

MLB Season Preview

MLB Season Preview

Baseball Writers Discuss Upcoming Season

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Tax Return Shows Selig Made \$14.5M In '05

Wright, Howard Among Marketable Young Stars

John Henry Says MLB Wants To Limit Revenue

MLB's Solomon Discusses Diversity

MLBAM Content On Apple's iTunes

Cardinals Airing Fewer Games On Free TV

Comcast SportsNet Unveils New Campaign

Opening Day **Sponsors**

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Sponsorships,

To Live And Learn In L.A.: Talking Tickets, Technology and Content at NSF

The annual National Sports Forum was held at the Los Angeles Hilton last week, with over 500 attendees representing teams, leagues, vendors, agencies and sponsors. The following are some highlights.



In a discussion on new technology, Sling Media VP/ Marketing Rich Buchanan said, "We are seeing a huge boom in the college crowd in the last six months in the Sling Box user community. They aren't bringing their TV to college anymore." He noted the success of the company's sponsorships with the San Francisco 49ers and Giants, San Jose Sharks and Univ. of CA Bears and he said, "Colleges have been very lucrative to us, especially the alumni base. The traction among the alumni has been unbelievable."

StubHub VP/Sales & Business Development Colin Hayes talked about the growth of the company, which is in the process of being acquired by eBay, saying, "We now have 420 employees, 220 customer sales reps, and 3 call centers. Our focus has always been on customer service.



Sling Media's Rich Buchanan: "They bringing their TV to college anymore."

Like a Southwest Airlines, we are very customer-service oriented. Our fastest growing channel is through word of mouth."

Hayes also discussed the growth of customization and personalization at StubHub, saying, "We're getting to a point in our marketing where we can really begin to do a lot of personalization. So if you're a Red Sox fan living in New York City, our marketing people can now send you an e-mail before the Red Sox visit Yankee

For more from the National Sports Forum

"Team NBA's Reign Ends At **Turnkey Sports Challenge**"

Stadium and tell you what tickets we have available, what ticket sections you've liked for previous Red Sox-Yankees games and the price range you've paid before and what we have for the upcoming series. We're only going to build on that."

Erik Smith, who handles business development MobiTV, talked about the growth of the company's service: "It took us two years to get to 200,000 users, and then it took us another six months to go from 200,000 to 500,000 users. After that, it took us only three months to hit one million users. To get content providers, it's all a numbers game. They want to see the numbers."

But one area on everyone's mind was how to price content on these new technologies, and Smith said MobiTV's pricing is likely too low: "We are at \$10 a month, which goes directly to your cable provider bill. I think it is lower than it needs to be. When we launched, we had 10 channels, now we have over 40. I think we are leaving money on the table."

Advertising & Marketing

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Yates, Petty Teams Looking For Partners

PGA Tour Inks New Marketing Partner

Phelps Makes Splash At World Championships

Sports Media

CBS Rebounds With Solid Final Four Ratings

NFL Loosens Restrictions On Sideline TV Cameras

ESPN.com Relaunching Audio Section

Media Notes

Leagues & Governing Bodies

NFL To Cancel China Preseason Game

Goodell Talks About NFL Improvements

Franchises

Bobcats Cutting
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Blackhawks Offering Free Ticket Promotions

MLS Wizards To Partner With Mexican Team

Finance

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Facilities & Venues

Steinbrenner Cuts Ties To Excelsior Racing

Penguins Detail Features In New Arena Content creation was a prevalent theme and Smith added that MobiTV is looking at creating some of its own original content around sports. He also said teams could be missing the boat on this space. "I can see it where individual teams could create their own channel," he said. "We could produce an individual channel for each team in the league and you [the user] could build your own channel lineup. That could be the future. I could see it where a team has six to eight hours of video every week and that could be the channel, those six hours could run four times a day. An NFL team for example could do it only during the season and take it down during the offseason. They could sell sponsorship and advertising around it, we could sell sponsorship and advertising around it, and we can be very flexible."

Mario Alioto from the S.F. Giants has seen a lot in his long career in the sports business. One of the most well-respected baseball marketers, he was asked about performance guarantees in sponsorship deals: "It's usually brought up by someone at an agency that will say, 'Well, if you draw less than x, we want to take x dollars away from the deal.' And we'll say, 'OK, but if we draw more than x, we want this much more in payment from you.' And after that, those conversations generally end." Alioto also talked about the changes in team performance, as one year a winning team has the leverage and the next year the sponsor could have the upper hand after a team's poor season: "One day you're the hammer, the next you're the nail."

A sponsor panel saw some consistent viewpoints on the sports business, namely that properties are doing better in their servicing and innovation, but there are still lessons to be learned. **Bernie Bradford**, National Advertising Manager for Toyota, and someone who is involved in many of Toyota's sponsorship deals out of the company's U.S. headquarters in L.A., had some words of wisdom regarding future sponsorship RFPs, especially when it comes to tickets and suite access. "The suite doesn't turn us on here at Toyota headquarters in Los Angeles," he said. "Anything you pitch us has to be consumer driven. We expect the suite and the perks, but don't sell it on that basis. We don't want our local executives just going to use the suite, that doesn't do much for us."

Coca Cola's director of business affairs **John Cordova** said that sponsors have to be more innovative because "the rules of engagement [from the sports properties] are somewhat limiting." Because of that, expect to see the development of more owned and operated content and events. "We have looked at developing some of our own properties, where we make the rules," he said. "We are trying to create things where we might do a better job of connecting the consumer passion points." One example he gave was the MyCoke Rewards program that is an affinity program for frequent Coke consumers. "We've gone away from looking at sports in a silo," he added. "We've put all of our entertainment marketing in a larger bucker and put them all up to that same lens and ask the local markets to tell us what they think. It's not about having everything. It's about having the right things."

When asked what sports properties could be doing better, most would agree that service and flexibility continue to be key differentiators. One direct comment came from Baby Ruth Brand/Nestle USA Marketing Manager **Hyder Raheem**. Baby Ruth signed a leaguewide sponsorship with MLB last year, and Raheem said he wanted to see a more consistent approach to sampling, obviously one of their drivers. "The sampling varies from team to team, and sampling has been very hit and miss. The concessionaire seems to be run totally different than the stadium. And sampling for our product is more important to us than signage because this is a real experience with our product. But the frustrating thing has been that a team will come to us at times and say, 'Our concessionaire won't allow that.' We think that is a short-sighted view."

GMR, which has major offices in Milwaukee, Charlotte and San Francisco, has clients in most of the major sports, but when Senior Account Director **Tyson Webber** was asked how much a team's on-field performance affects the agency's recommendations on sponsorship spending, he said, "Candidly, very little. We find the teams that work best with us are the ones that aren't doing well because they have to. The win-loss record means little to us."

Brewers Exec VP/Business Operations **Rick Schlesinger** took part in a discussion on where an agency can assist a team. "We've used GMR this offseason to come up with programs as we celebrate the 25th anniversary for our 1982 AL Championship," he said. "Being based in Milwaukee, they are familiar with the market and the sponsors and the players of that era and they came up with a whole program and we took all but one of their ideas."

Devils Not Returning To Meadowlands Facility Notes

Events & Attractions

N.Y. Times Profiles Dinah Shore Week

Law & Politics

WTO Rules Against U.S. Gambling Policy

Sports Industrialists

Page Thompson To Be Golf Channel President

Executive Transactions

Names In The News

The Back of the Book

Overnight Nielsen Ratings

Classified Advertisements

FSN West Seeks
Sales Manager
NASCAR HOF
Seeks Consultant
NFL Panthers
Seeking Broadcast
Engineer
Augusta National
Seeks Assistant
For Biz Affairs
Sports Agency
Seeking VP
Candidates
NASCAR Seeking
To Fill Positions

SBJ In-Depth:

Game Experience

ESPN Original Entertainment vice president of development **Ron Wechsler** talked about how the network could capitalize on David Beckham's arrival and said the network is studying shoulder programming opportunities and some behind-the-scenes type programming rather than a reality show. "We were throwing around the concept the other day about possibly doing an ESPN Full-Circle around his first game," he said, "where we have the game on ESPN and then on ESPN2 we have five different camera angles and little factoid and information bits."

AEG Live President and CEO **Randy Phillips**, on Beckham: "He's still a fabulous player and we know he will raise the level of play across the entire league. Sports is so star-driven and Beckham will appeal to both men and women.



Fans across the MLS landscape are eager to see Beckham in action.

But we do expect his level of play to be very good. We didn't just buy a retiring name."

AEG's Phillips talked about future distribution and rights management: "What the record industry missed and what the sports and film industry shouldn't is simple. The record industry wanted to control the distribution of content and how you got paid for that content. They wanted to control it — but as we all know, technology gives you freedom, and if you fight that, it creates a tidal wave. So they didn't stop that tidal wave and they didn't get paid. The record industry screwed it up, so the others have to figure out how to monetize it. My advice as a former record executive to sports is to use technology, don't be afraid of it and figure it out."

CAA Managing Partner **Rob Light** gave the cross marketing example in the record industry, where a deal with iTunes tied the sales of the record to concert ticket sales, where if someone purchased a song in the first week of release, they had early access to concert tickets. Light said that CAA has had success creating exclusive events at a premium — especially at concerts — and felt the record industry was "further along in that regard than the sports industry."

L.A.-based **Commerce Casino** is one of the few casinos that has a sponsorship deal with a pro sports team, and the gaming category continues to be one of the most talked about — and easily one of the largest growth revenue streams — in sports. The casino, which has more than 200 tables and sits less than 5 miles from downtown L.A., has a sponsorship with the Los Angeles Clippers. **John Griffon**, who handles marketing for Commerce, was asked what he'd like to see change in



CAA's Rob Light said the music industry is
"further along" than the sports industry in creating exclusive events at a premium.

sports sponsorships. "Less restrictions. Any time we want to do anything creative, like a chip giveaway to a section in the building, there are always a lot of loopholes that we have to deal with." But Griffon did say that there has been an ease of some restrictions: "We are now able to promote poker and blackjack in our sponsorship, which is important to us. Since the NBA lifted some restrictions, we went from being able to just promote our restaurants to being able to promote our games."

SEEN AND HEARD: Lowe's gets more than 3,000 requests for sponsorship proposals a year. ... CAA has had such good success with their custom cruise experiences that they are studying the idea of developing a golf cruise, where professional golfers would be available to give lessons to participants on the cruise ... CAA's Light talked about the future influence of "lifestyle editors" on content and consumption. "Lifestyle editors will explode over the next few years and change everything for us. Oprah is a lifestyle editor. She compiles all this content and tells us what we should read and know. Lifestyle editors will continue to tell us what we should ready and watch and wear." ... EOE's **Ron**



Weschler said he is keeping his eye on the following sports properties for their potential upside: MotoX; the video gaming/gaming space where leagues are being created; and "while it's more on the fringe, you can't ignore it anymore, we're look at mixed martial arts. You see their numbers and they are trying to build up stars, but it's complicated because it's so violent." ... NASCAR and California Speedway are putting some on-street marketing muscle behind its race on Feb. 25, the week after the Daytona 500. Large street signs adorn light poles along the Avenue of the Stars in Beverly Hills stating, "NASCAR Is Back: West Coast Premiere, February 25." The race airs on Fox.

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