

The Sponsorship REPORT

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No joy in the joystick for sports teams

The growth of league-licensed in-game advertising may soon become a problem for sports teams seeking to protect the exclusivity of their partners.

RIGHT NOW, VERY LIKELY some young male in downtown Toronto is hunched over his video console, playing NBA 2K10 basketball. On the screen before him will be a very realistic representation of the Toronto Raptors and their Air Canada Centre home arena. In the background, scrolling video boards, just like the real thing, will carry sponsor branding for TELUS and TD.

For Dave Hopkinson, Senior Vice President of Business Partnerships at Maple Leaf Sports and Entertainment, that's a problem. The Raptors' partner in the telco category is Rogers, not TELUS, and its banking partner is BMO, not TD.

Games such as Electronic Arts' NHL 11 or 2K Sports' NBA 2K10 are created by developers under licence from the league and, separately, from the players' association. Leagues generate revenue from those licensing arrangements which is then shared with franchises. Contract terms vary from league to league and from developer to developer, says Josh Graff, Senior Director of Media Sales and Business Development with game developer Electronic Arts (EA). Generally, though, game developers are required to offer at least a right of first refusal for in-game advertising to league sponsors. Teams are not involved and team sponsors are not protected.

Dave McCarthy, Vice President, Integrated Marketing with NHL Enterprises, says the league limits static in-game advertising to league partners. Static placements are coded into the game and do not vary. If the category is open, the league is certainly willing to listen to offers, says McCarthy.

The NHL's approach to dynamic advertising is different. League partners are given a right of first refusal. With a "reasonable ad buy," says McCarthy, they can also lock out category. If the partner is not interested in the category, it is fully available to the game developer to sell.

Because NHL team sponsorships are limited to a 75 mile radius from their home arena and video games are sold globally, team sponsors are not protected, says McCarthy. This applies both to fixed and dynamic ad placements, but not to venue naming



Photo courtesy NHL Enterprises LP

Branding from league sponsor Honda figures prominently in this screen grab from an Electronic Arts NHL game.

partnerships, which will be respected subject to negotiations directly between the game developer and the arena owners.

Why this is an increasingly troubling issue for teams is because geolocation technology and dynamic in-game advertising allow game manufacturers to sell and target in-game advertising much like web advertising. A gamer playing a game in Toronto will see a different suite of ads than a gamer playing the same game in Los Angeles.

"It causes me a lot of concern," says Hopkinson. "I am concerned about creep and allowing advertisers to pass themselves off as sponsors."

Jim Bagshaw, Vice President of Advertising, Sponsorship and Marketing with the Calgary Flames, shares the concern.

"If our pouring rights sponsor here is Molson or Coke, I don't want Labatt or Pepsi scrolling behind a Flames game," he says. "The virtual game represents us. So if they're going to sell against us, then obviously we're going to have to talk about the rights."

Galen Clavio disagrees. Clavio is Assistant Professor of Sports Marketing at Indiana University, where he studies the meeting points between technology and sport.

"What we're creating with these video games are

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WHAT'S HAPPENING

ARTS

Scotiabank stays sleepless in Toronto

Scotiabank has committed to keeping Torontonians up all night for another four years. The founding Title Sponsor of Scotiabank Nuit Blanche has seen the event grow into an all-night cultural celebration that this year featured 130 installations viewed by crowds estimated at more than a million.

Over its first five years, Scotiabank Nuit Blanche has evolved into a spectacular cultural event that takes over Toronto's downtown. Regrettably, for the first time the 2010 event also showed signs of becoming victim to its own success, as complaints surfaced about drunken revellers interfering with the enjoyment of the experience.

SPORTS

Canadian Tire jumpstarts local hockey season

The Ottawa Senators and Canadian Tire have renewed their partnership for the 2010-11 hockey season. In mid-September, the Senators, Canadian Tire Jumpstart, the Sens Foundation and the Ottawa District Hockey Association announced the launch of the Jumpstart Equipment for Kids program. The program collects donations of new and used hockey equipment from the community to distribute it to disadvantaged area youth.

Extending the "jumpstart" theme, local Canadian Tire Dealers were named official sponsors of the Senators' pre-season, including all three home games. The sponsorship allowed the Sens and Canadian Tire to offer half price tickets to children under 16 years of age for the three pre-season tune-up matches.

Ottawa retailers also held a Sens weekend September 18 and 19, featuring player appearances and ticket give-aways.

In partnership with the city, the Sens Foundation and Canadian Tire are also developing a learn to skate program for the city's priority neighbourhoods. That program will be delivered in 2011.

Contact: Brian Morris, Ottawa Senators, morrisb@ottawasenators.com.

SPORTS

Grey Cup committee fights the clock

Organizers of the 100th anniversary Grey Cup festival in Toronto in 2012 ran up against stiff competition and an unforgiving clock last month when they made their play before the House of Commons Finance Committee, seeking \$12 million in federal funding for a national celebration.

With only 45 minutes on the clock before the committee adjourned, quarterback Chris Rudge, Chairman of the 2012 committee, quickly passed the ball to fan favourite Mike "Pinball" Clemons, who spoke of the galvanizing character of the Grey Cup. Clemons then handed it off to CFL Commissioner Mark Cohon, who carried it a few yards further downfield by citing research on the Grey Cup as one of the country's defining events. Cohon was stopped by York University's Centre for Feminist Research, one of four other organizations seeking the committee's attention.

With 30 minutes to play, Cohon was handed the ball again and deftly dodged a question about why the Grey Cup celebration was more deserving of funding than the other organizations at the table.

With very little time and a room packed with competing presenters, it's difficult to say whether the 2012 Grey Cup committee scored a touchdown. But it did reveal its intention to turn the 100th national championship into a national celebration, with a heavily-sponsored year-long touring roadshow that will touch communities across the country.

In-game advertising

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virtual representations of places that exist, where licensing has been paid to create that virtual representation." The video game is a fancy picture, and the Flames can't claim rights over every picture ever taken of the Saddledome.

Big dollars, but Canada lags

At stake are some serious revenues. Investment by Canadian brands in in-game advertising is insignificant. The Interactive Advertising Bureau of Canada only began tracking it in 2009, and it pegs the spend at a very modest \$3 million. Canada lags the rest of the world. In the US, according to eMarketer, the 2007 in-game advertising spend was \$295 million, projected to rise to \$650 million by 2012.

"This is a nascent and growing category for business partners to access a largely male, largely youthful demo," says McCarthy, "and we see tremendous value there."

McCarthy says the league hasn't felt any pushback from franchises about conflict between in-game and team sponsors, but he will. It's an issue that's going to be raised at the league level, says Hopkinson. "At the end of the day we have to protect what we've sold to our sponsors, which is an exclusive association. And there is an association [with in-game advertising]."

Clavio is not so sure. Video games raise brand awareness, he says, but the jury is still out on their ability to influence consumer behaviour. And he's not convinced that a competing brand advertising in-game will weaken a team partnership or necessarily diminish its value. The team partnership promises the brand access to a captive audience with meaningful discretionary income in a hyper-charged atmosphere. That's a promise a video game can't match.

Not surprisingly, game developers disagree. "They have the sight, sound and motion of TV and film," says Graff. "They have the data and insights of digital. The level of consumer engagement is immense," allowing marketers unparalleled opportunities to drive brand affinity. Research done for EA on an in-game program for Gatorade showed a 24% increase in household purchase and a 3:1 ROI. "There is no other medium that offers that intense a level of engagement."

"The big impact really is more on perception than anything else on the part of the sponsor," counters Clavio. It could eventually have an impact on sponsorship sales, he says, but only if sponsors balk at promises of exclusivity that don't include in-game advertising.

So far, Canadian sponsors seem indifferent. "We haven't had any partners bring that specifically to us," says Honsing Leung, Senior Manager of Business Development with the Toronto Blue Jays. That may simply be because of the smaller market in Canada, he suggests.

But in Dave Hopkinson's mind, it's not yet a burning issue for one reason only: The people charged with protecting rights, either with the clubs or the brands, don't play video games. "They don't notice it or see it."

Sue Bundy certainly didn't. The Director of Sponsorships at BMO Financial Group had no idea that her competitor's branding was scrolling on the screen of the NBA Y10K game in Toronto.

Bundy was never given the opportunity to purchase that asset, and at a minimum she wishes she had. It could be a particularly valuable opportunity in the current environment, with major corporations – financial institutions and others – investing to lay claim to

ownership of a sport, as BMO has done with soccer, for instance.

It will only become more valuable. The global growth in broadband penetration will allow game developers to offer rich media, video and other types of content, says Graff.

"It will provide even more opportunities for marketers to associate themselves with our brands and have a relationship with a consumer of NHL, Madden or NBA," says Graff.

It won't be long before gamers will be able to initiate commercial transactions in-game, says Hopkinson: pause, move a joystick and order a pizza from the delivery chain advertised in the game.

But Clavio says if that happens, teams are free to purchase the complete inventory of in-game dynamic advertising for their territory and make it available to their partners. The technology to do so is already in place, and Josh Graff, for one, would certainly welcome the call. ■

Olympian brings cash to the cause

KEREN BLANKROT, PR CONSULTANT with luxury jeweller Birks, says the company leans toward the philanthropic support of causes dealing with health and children, but it is a sports partnership that seems to be the brightest diamond in the jeweller's crown. For the 2009-2010 fiscal year, parent company Birks & Mayors reported a 12% decline in comparable store sales in the US, but only a 1% decline in Canada. In an extremely difficult year for luxury consumer goods, that Canadian performance is strong, and CEO Tom Andruskevich gave full credit to the Birks' Olympic sponsorship:

"Birks' sponsorship of the 2010 Vancouver Olympic Games not only achieved our goal of driving traffic and sales to our Canadian stores but also gave our Birks brand an international stage to pres-



Olympian Jenn Heil, wearing her Dream pendant.

ent itself as a world class luxury brand," he said in a release.

Birks did a great deal of merchandising around the Olympics and also signed two high-profile Olympians as brand ambassadors to meet with clients, and appear at public events, on in-store signage and in catalogues. Moguls skier Jennifer Heil and figure skater Joannie Rochette are more than just public faces of the brand, says Blankrot, but public voices as well. And it was Heil's voice one heard behind a fundraiser held at Birks' Ste-Catherine's Street store last month that raised \$95,000 for Plan Canada and its Because I am a Girl campaign.

Birks signed Heil as a brand ambassador before the 2010 Olympics, before she agreed to represent Plan Canada's Because I am a Girl campaign, and before she committed \$25,000 of her own money to the program and challenged each of her corporate partners to do the same.

Because I am a Girl is a Plan Canada initiative to engage girls in fundraising efforts in support of programs aimed at improving the health and education prospects of girls in the developing world.

But rather than simply cut a cheque, Birks chose to stage an event around the release of the newest piece in its Jenn Heil Collection of jewellery, the Dream pendant. A portion of sales of the pendant will flow to Plan Canada in addition to the \$95,000 raised at the unveiling.

New pieces of jewellery are not normally unveiled before 350 guests at gala events, says Blankrot. The party attracted close to 30 corporate partners. Host for the evening was Sophie Grégoire-Trudeau and auction items included a ski trip with Jenn Heil and an afternoon of skating with Joannie Rochette.

Surprisingly, though the evening attracted a good deal of media, Birks won't be measuring it. Blankrot says Birks has a regular media tracking program in place, but no extra effort will be made to isolate the impact of the Jenn Heil pendant launch. ■

Event surveys pay big sponsorship dividends for smaller Ontario festivals

SMALLER PROPERTIES ARE OFTEN RELUCTANT to engage in extensive surveys and economic impact studies for fear of incurring heavy costs. Two Ontario events, Peterborough's Little Lake Musicfest and the Niagara Falls CAA Winter Festival of Lights, have found that targeted studies have exceeded their expectations in attracting sponsor support.

The non-profit CAA Winter Festival of Lights (WFOL) recently attracted title sponsors for both the festival, and for its ice skating venue at the edge of Niagara Falls, the TD RINK at the Brink

"We had done a study in 2003 which we had used in part in our sponsorship materials," says Rick Morocco, Manager of Sponsorships and Sales with the WFOL. "When we devised the idea for the Rink at the Brink, we were required to perform a broad-based economic impact study as part of the requirements of a grant from the province of Ontario. We expanded that study to include the WFOL as well."

The \$13,000 study, conducted by Toronto Research firm Enigma Research, was instrumental in securing not only a title sponsor for the rink attraction, but the WFOL as well. The study concluded that

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the festival, which runs from November to January, generated more than \$57 million in economic activity on a budget of \$1.3 million. Even more valuable was the data showing that most of the visitors viewed the light displays by car, not on foot.

"We had 413,000 unique visitors making 1.3 million visits to the lights, and a high percentage were viewing the lights from their cars as they drove past the exhibits," says Morocco. "In our case, that information made it a great fit with CAA Niagara."

As title sponsor, CAA Niagara has adopted the tagline, "Slow Down and See the Lights" to promote its safe driving program.

Detailed information on how far visitors were driving to see the attractions also helped to sell TD Canada Trust on the title sponsorship for the TD RINK at the Brink.

"Being able to tell our sponsors where the visitors were coming from was a key factor behind both title sponsorships, because the demographics targeted areas where they were trying to increase their brand awareness," says Morocco. "Selling a sponsorship boils down to the timing and the fit. We had to work extremely hard to develop a package tailored to CAA Niagara, for example, but I credit having the study information available as a key factor in bringing these sponsors on board."

The Little Lake Musicfest likewise is benefiting from an economic impact study largely conducted by volunteers.

"We knew from a previous study conducted in 2003 that we were attracting people from outside of Peterborough, but our 2010 survey showed us that a surprising 35% of attendees were tourists, who usually spend twice as much as residents at the event," says Ashley Ross, Sponsorship Co-ordinator with the event.

The survey was conducted by volunteers with Kawartha F.E.S.T., which promotes area attractions. More than 3,000 concertgoers were asked what they wanted to see at the event, how far they had come to attend the event, how much money they had spent and where.

The study determined that the event attracted 130,000 people and generated an economic impact of \$4.8 million on a budget of \$450,000. The data was then entered into the Ontario Ministry of Tourism's free web-based Tourism Regional Economic Impact Model tool to indicate a provincial economic impact of \$14 million.

"All told, considering the staff time in compiling the results and the cost of printing the surveys, I'd say the survey cost us around \$2,500," says Ross.

The compiled data are being incorporated into sponsorship marketing materials as the festival's sponsorship sales team expands to include six additional board members. Ross predicts the event can increase the value of sponsor contributions by 33 per cent in 2011.

"We'll be armed with information that will help to support our sponsor relations with local restaurants and hotels," says Ross. "We'll also be looking for child-oriented sponsors considering the surprising number of children we now realize are attending a night time event. The attendees also told us that they want to see fireworks, something that we had eliminated due to budgetary restrictions. We already have a sponsor in mind for a fireworks event to close our season."

Ross advises properties who are conducting their own surveys to get more bang for their buck by starting early and consulting a broad range of stakeholders to develop the initial questionnaire, then use existing staff or volunteers to conduct as much of the study as possible.

"Long before we conducted the survey, we got the county, the Peterborough Destination Association and other tourism advisers in on the ground floor to see what sort of information they wanted to see collected," she says. "People involved closely with the event can't possibly ask all of the right questions. Take yourself out of your shoes and find out what other people want to know." ■

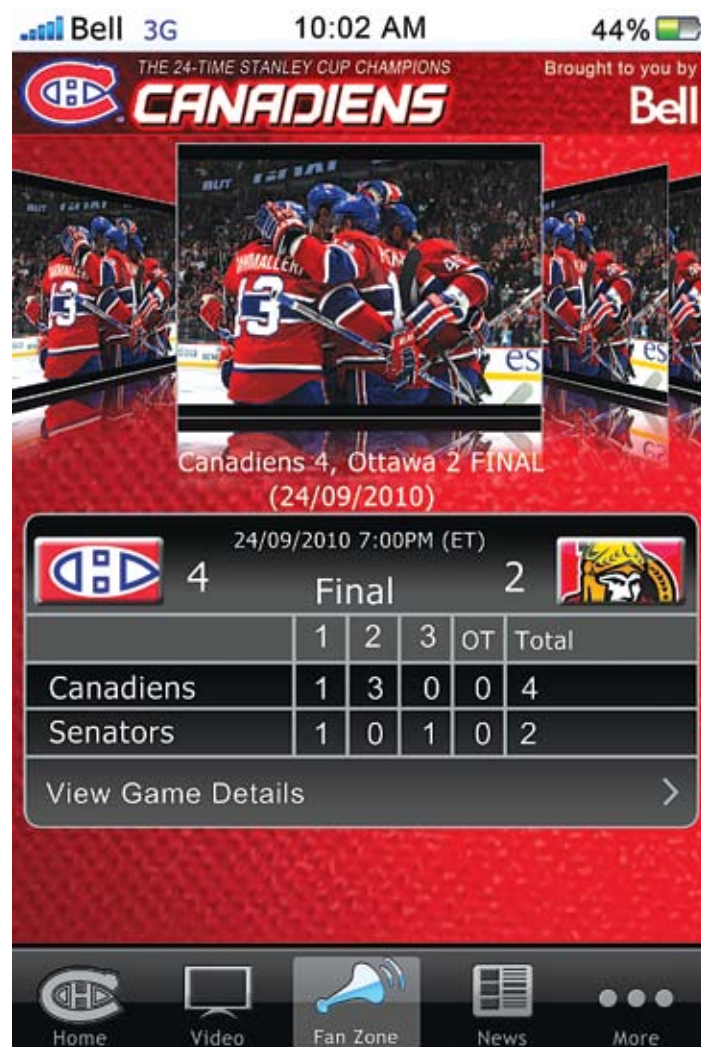
Another mobile activation from Bell

IN THE JULY ISSUE OF TSR, in an article about Bell's jersey sponsorship of the Vancouver Whitecaps, Bell Vice President of Corporate Marketing Loring Phinney spoke of the intimacy of mobile activation. No other platform, he said, can bring the fan as close to the on-field experience as mobile.

It was one of the lessons of the 2010 Olympics, and it's being applied now to Bell's deep partnership with the Montreal Canadiens. Last month Bell launched a number of new interactive features for Habs fans, some exclusive to Bell Mobility customers, but most available, courtesy of Bell, across all mobile platforms.

Because the Bell Centre, home to the Montreal Canadiens (the Habs), is always a sellout, Bell is looking for ways to bring all of Montreal's hockey fans as close to on-ice experience as possible, even if they can't make it through the turnstiles.

All Habs fans will now have the opportunity to help select the



game's three stars. Three star voting will be part of the newly released Bell-developed Habs mobile app, but it will also be enabled on the Montreal Canadiens website, which is presented by Bell. The mobile app will be available on all mobile platforms, not just Bell's.

The three star selection is a staple of competitive hockey, dating back to the 1936-37 season when it was introduced to Hockey Night in Canada by new broadcast sponsor Imperial Oil as a means of promoting its Three Star gasoline brand. Until now, three star selection has been the exclusive purview of sports media. Handing the selection over to the fans puts them closer to the ice surface than ever before.

The mobile app will also give Bell customers access to game broadcasts from RDS and coach Jacques Martin's live comments after the game. All mobile app users will have access to a special social network where they can exchange comments, photos and videos with other fans. Bell customers will receive an additional utility allowing them to post their photos live on the Bell Centre big screen.

Mobile app users, Bell TV subscribers and Canadiens website visitors will also get a first look at a series of new behind-the-scenes 30-minute television productions featuring Canadiens players at home and at work. These programs will be broadcast on TSN, RDS and V beginning in January, but always well after they have been seen by Bell customers and fans at the Canadiens website.

Bell spokesperson Marie-Eve Francoeur suggests this announcement is just the first of several that Bell intends to make around its mobile platforms, all with the objective of further deepening the connection between Bell and its customers. ■

By the numbers: activating sponsorships through research studies

MENTION RESEARCH STUDIES and sponsorships in the same breath, and it will most likely involve an analysis of the effectiveness and impact of a sponsorship program. But research studies can also be used effectively as the public face of a sponsorship program, creating media impressions and promoting the goals of the property.

A recent example: the Hygiene Council's 2010 Hygiene Home Truths Study sponsored by disinfectant brand Lysol. The well-reported study revealed that 95% of Canadian respondents spent more than two hours a week cleaning and that 65% of them use an antibacterial cleaner.

The Hygiene Council was formed in 2006 by 15 leading hygiene experts around the world, through a grant under the sponsorship of Reckitt Benckiser, the company that makes Lysol.

The sponsorship is a careful balance of interests in which participants place all of their cards on the table in order for the study to provide value. Reckitt Benckiser takes great pains to ensure the public understands that its support of the council and its research activities are unrestricted.

"The Hygiene Council proposed the idea of the Hygiene Home Truths study as an opportunity to gain an insight into the real-life hygiene situation in people's homes," says Katie Lofquist, a Consultant with Hill & Knowlton, the communications consultancy representing the council in Canada. "The study protocol and methodology were

also created by the Hygiene Council."

A press release accompanying the study quotes Debra Lynkowski, CEO of the Canadian Public Health Association (CPHA) noting that there is room for improvement in Canadians' approach to locating germ hotspots.

Reckitt Benckiser also sponsors specific initiatives within the CPHA, including unrestricted educational grants and the association's annual conference.

"Our membership is fairly conservative when it comes to this sort of sponsorship relationship," notes Ian Culbert, Director of Corporate and Business Development at the CPHA. "When we comment on a study like this, the comment must promote public health and education without endorsing a commercial product or service and it undergoes a rigorous approval process. In this brave new world of sponsorship, NGOs need to have stronger relationships with corporate entities, but there can never be a hint of us being purchased. Being included on the press release was a win for all of the parties."

Can Lysol be used to clean a home? Definitely. But emphasizing the arms-length nature of the research and the independence of the properties is integral to the campaign's success. That distinction also helps to avoid comparisons with more commercial studies exploiting the same format. A recent example: the widely publicized October release of the Cialis Sex Survey, funded by pharmaceutical company Eli Lilly, which achieved a significant number of media impressions but contained no sponsorship element.

"There's a lot of what I call cart-before-the-horse research out there, in which someone wants to say something and cooks up a study to support it," says Michael Harker, CEO of Toronto's Enigma Research. "If you do a study that comes back with results unfavourable to the client, it's unlikely to be publicized. Releasing any study in support of a sponsorship, however, is fair game if the source of the study funding is clearly disclosed. Once you have that information, I think most people making decisions based on that research will take that into account."

Diana Degan Robinson, President of Guelph, Ontario-based Diana Robinson & Associates, takes an integrated approach to employing research studies in sponsorships.

"The purpose of the study should not be just to create media impressions, but to support the goals of the sponsorship itself," she says.

In a 2007 sponsorship campaign on behalf of Henkel Consumer Goods Canada Inc., Degan helped the company to activate a sponsorship of the 2008 International Ice Hockey Federation World Championship held in Canada.

"The Henkel name is well known in Europe, but not in Canada, where we know its consumer brand names, including Purex, Right Guard and Lepage," says Degan. After investigating current media interests, she engaged Harris-Decima Research to conduct a national survey trading on parental concerns about hockey violence. The resulting survey was released to almost one billion impressions and played nicely with the sponsorship theme "Play Fair, Play Clean." An associated contest drawing 100,000 website hits saw Henkel donate money to charity KidSport with each entry.

"It didn't really matter what the results of the survey were," says Degan. "Media outlets receive 500 to a thousand news releases each day, but with a background as a journalist, I knew that this research would provide an interesting angle for them and highlight the goals of the sponsor. Advertising can't educate the target audience the

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WHAT'S HAPPENING

SPORTS

Sponsors wanted. Hurry. Hard!

Cheryl Bernard, the striking skip whose steely gaze and killer shotmaking turned her into an international media favourite during the 2010 Olympic Games, is advertising for sponsors.

Bernard and her team from the Calgary Curling Club have launched an outdoor advertising campaign via Pattison billboards, located in and around Calgary from October 19 through November 15. The billboard space has been donated by The Jim Pattison Group as an in-kind contribution to the team.

The creative features a photo of the team, with the tagline "SPONSORS WANTED... Hurry Hard!"

Contact: Cheryl Bernard, 403-701-8886.

SPORTS

Cannondale leverages success

Montreal's Dorel Industries, manufacturers of high-end Cannondale bicycles, is significantly ramping up its sponsorship of Italy's Liquigas Pro Cycling Team after a very successful competitive season.

This year, the Liquigas team rode Cannondale's flagship SuperSix Hi-Mod bicycle to top spot in two of the three major Grand Tours: the Giro d'Italia and the Vuelta a Espana. The team also took second in the UCI Grand Prix Cycliste de Montreal.

Beginning January 1, 2011, the team will be rebranded Liquigas-Cannondale. Cannondale will appear prominently on team jerseys, team vehicles, the team website and team clothing. Cannondale also promises significant marketing integration between Cannondale and the team, showcasing team riders and wins, and capitalizing on growing consumer interests in pro cycling.

Contact: Jeffery Schwartz, Dorel Industries Inc., 514-934-3034

VENUES

Fusion wins BC Place contract

Vancouver-based FUSION Sponsorship + Events has been selected by BC Place as its official sponsorship and advertising sales agency. The stadium will be home to the BC Lions and the new Vancouver Whitecaps once a \$563 million retrofit, including installation of a retractable roof, is complete.

The five-year deal does not include naming rights as part of the inventory, but does include traditional and non-traditional advertising opportunities, including fixed and digital signage.

FUSION Sponsorship + Events is a division of Cossette Inc. It is the new brand for Altius Sports Marketing.

Contact: Garnet Nelson, FUSION Sponsorship + Events, garnet.nelson@cossette.com.

ENTERTAINMENT

New date for Verge Music Awards

The third annual Verge Music Awards have been scheduled for March 1, 2011. The XM Satellite Radio sponsored awards are titled by XM 87, The Verge, an independent music channel on XM Satellite's lineup.

The Verge Music Awards hand out \$25,000 prizes for Canadian Artist of the Year and Canadian Album of the Year. Both are selected by online fan voting.

way that valuable information can, as long as the tie to the brand is natural."

Degan used the same approach in a second sponsorship campaign in 2009, this time for Henkel's biodegradable Purex Natural Elements detergent. The "Little Drops, Big Ripples" campaign was introduced to media with a survey on Canadian attitudes to water and their sensitivity to what goes down the drain. The associated press release heralded World Water Day and supported a sponsorship of the Kielburger brothers' Free The Children charity which, in part, provided clean water to villages where water-gathering chores kept female children from an education. The campaign garnered more than 500 million impressions worldwide.

"In this case, the research didn't only provide publicity, but it created an opportunity for the sponsorship itself," says Degan. "It's the integrated approach to marketing and communications that creates additional value from the research by weaving the research and the message through the sponsorship."

Degan says that research studies can be produced quickly and cost-effectively, particularly when questions are attached to omnibus surveys routinely conducted by research companies. "I try to keep the costs as low as possible," she says, "I can turn a study around in two to three weeks and could probably do it faster, depending on the budget and the time it takes to receive client approval." n

KCI sees strong revenue potential in proposed new domed stadium for Regina

SASKATCHEWAN MEDIA WERE ALL ABUZZ last month about the revenue potential of a new retractable roof multipurpose stadium that would serve as home field for the Saskatchewan Roughriders. A report commissioned by the provincial government from Ketchum Canada Inc. (KCI) identified \$70 million of potential revenue from philanthropic and marketing partners, \$50 million of that from sponsorship-type revenue, including naming rights.

The \$70 million figure represents 16% of the estimated cost of the stadium, which is early in the proposal stage. It still leaves some \$360 million to be raised from various levels of government.

But what the report doesn't make clear is the period over which the \$70 million would be raised. According to Ketchum Canada Vice President Stu Reid, the estimated \$50 million in sponsorship and naming rights revenue would be earned over a period of 10 to 20 years.

The figure does not include assets that would be available annually or on shorter-term contracts, such as on-field signage, interior display advertising and outdoor billboards. Revenue from those assets would be used to defray operating costs.

The report identifies five major naming and partnership opportunities for the stadium (which, incidentally, has not yet even been designed, let alone approved): building naming rights; premier facility partners; event, main level and upper concourse and atrium partners; suite level partner; and outdoor plaza partners.

KCI describes the revenue projections as "realistic" given current economic conditions in the province. The report lists a number of factors unique to Saskatchewan that suggest this project might have unusual appeal to partners and legacy donors. They include

the strong provincial and national appeal of the Saskatchewan Roughriders, early indications of financial support from the private sector (the Regina Hotel Association has pledged \$10 million over 15 years to the project), and the identification of more than 20 potential investors "at significant levels."

The provincial government intend to decide whether or not to proceed with plans for the stadium by year end. ■

Flames burn in two partners: Scotiabank buys the building, RONA builds its brand

SCOTIABANK'S DECISION TO PURCHASE naming rights to the Calgary Saddledome certainly didn't surprise anyone who has tracked the bank's relentless acquisition of hockey assets over the past several years. Neither the bank nor the Flames have disclosed terms of the contract.

"Long term, big number," is a forthcoming as Jim Bagshaw, Flames' Vice President of Advertising, Sponsorship and Marketing, was prepared to be.

The new naming partnership was the larger of two major announcements made by the Flames last month. The team also announced a three-year exclusive partnership with RONA in the home improvement retailer category. RONA's rights apply to the Flames and to the Calgary Hitmen of the Western Hockey League. RONA will receive an allotment of tickets, permanent camera-visible RONA branding at the teams' home games at the Saddledome, including two in-ice logos as well as signage behind the boards on the home net side. The partnership will earn RONA a patch on the Flames' practice jerseys, a new benefit approved by the National Hockey League this year.

RONA, tearing a strip from its partnership with the Toronto Maple Leafs, will be heavily involved with the Flames' community centre refurbishment program. It's a seamless fit with the brand and allows it opportunities to involve its local retailers in the partnership at a community level.

RONA and the Flames have not yet identified their first refurbishment project.

The naming rights agreement is conventional, says Bagshaw. Naming rights agreements are distinctive because of their size and term, but they are often cookie-cutter contracts, and Bagshaw says there is nothing in the Scotiabank contract that elevates it above the ordinary.

Scotiabank's Jim Tobin, Director of Sponsorships, agrees in principle, but places the Saddledome contract in the context of Scotiabank's portfolio of hockey assets.

"It is our second hockey arena," he says, the other being Scotiabank Place in Ottawa, "and we did that because of the presence it gives us in eastern Canada and in western Canada."

Scotiabank has a pre-existing agreement with the Flames, including Official Bank status. "I think what we have done is created a very beneficial partnership that delivers a lot of components to us. It really helps us connect with the community a lot more." Tobin mentions programs such as the Scotiabank Skaters, currently executed in Ottawa, which allows local minor hockey players to participate in the pre-game ceremonies. "There is a considerable inventory of rights,"

he says, but declines to disclose the exhaustive list.

The Scotiabank Saddledome is a municipally-owned building, but it is managed by the Flames. Scotiabank's rights extend to every event at the Scotiabank Saddledome, not just hockey, "It's a very busy venue for events," says Tobin. ■

LOOKING BACK

Checking in with Country Inns

Last year **Country Inns**, a brand owned by **Carlson Hotels**, broke from the pack and entered into a partnership with Canwest's **Raise a Reader** program. The partnership worked well enough to warrant renewal for another year, confirms Sandy Russell, Senior Director, Revenue Generation, with Carlson Hotels Worldwide.

Over the past year, Canwest's newspaper assets were acquired by **Postmedia Network**, but the Raise a Reader program has survived.

Country Inns are midscale properties that cater to families. Mothers are a target, and in-house lending libraries in each of the 14 Country Inn franchises in Canada help set them apart from their competitors. With the Raise-a-Reader partnership, Country Inns received assets in Canwest media and an opportunity to leverage the Raise-a-Reader concert series through a contest promoted within the hotels.

Country Inns also executed a campaign called "Reading is Cool," which will be repeated this year. Canwest reached out to schools in cities where a Country Inn was located and invited Grade 3 classes to write a 500 word essay on the theme "Why Reading is Cool." The essays were uploaded onto a microsite, and one entrant from each city received \$1,000 toward the school library. Each winning class was also invited to the local Country Inn for a reading featuring a local celebrity.

Funding for last year's program was split between head office and the 14 franchises. The idea was to give franchises "skin in the game" and compel continuous involvement through a financial investment. It sounded good on paper, but even last year, in the early days of the program, Russell was feeling heat from the franchisees. It was, in the end, more trouble than it was worth.

"We have corporately picked up the tab for this second year," says Russell. "We just found that so frustrating. It was really just dampening the spirit," of the program.

Also returning this year is the Raise a Reader Rate. This is a room rate modestly above the lowest available rate at any time that was offered to consumers. The benefit: a monthly draw for literacy-relevant prizes, such as electronic book readers or Chapters gift cards. The rate was promoted by Country Inns and by Raise-a-Reader.

"We actually generated close to a million dollars in business from the Raise-a-Reader Rate," says Russell.

Interestingly, though Russell is very happy with the results from last year, the numbers don't seem to bear that out. It was, she says, a brutal year for the hotel business, so year-over-year comparisons are meaningless.

"We have agreed that we probably did better than we would have done because of this campaign," she says. "We were definitely down year over year." But Russell also concedes that according to the hospitality's standard RevPAR Index, Country Inns kept pace with its competitors and did not rise above them. ■