



**EXHIBIT A**  
**Naming Rights**  
**Consultancy Proposal**

**PREPARED FOR**

Nathan Powell

Director

Mitchell Parks and Recreation

605-995-8450

[npowell@CityofMitchell.org](mailto:npowell@CityofMitchell.org)

**PREPARED BY**

Ryan Patrick

Vice President

Great Plains Sponsorships, Inc.

707-498-0658

[Ryan.Patrick@GreatPlainsSponsorships.com](mailto:Ryan.Patrick@GreatPlainsSponsorships.com)



**GREAT PLAINS**  
**SPONSORSHIPS**

## EXECUTIVE SUMMARY

The Mitchell Recreation Center (also referred to as “Mitchell” or “Client”), is considering the acquisition of a third-party consultant to evaluate and potentially secure supplemental funding and private revenue streams for their Recreation Center via Naming Rights in Mitchell,SD.

Great Plains Sponsorships, Inc. (also referred to as “GPS”) is a multidimensional service provider specializing in Naming Rights and Sponsorships development. Founded on unparalleled experience and results, GPS is uniquely positioned as a consultant to serve as a catalyst in subsidizing project expenditures by way of strategically maximizing revenue associated with corporate partnerships.

Implementing a clutter-free and less-is-more atmosphere is our philosophy. This enables our clients and their newfound corporate partners to walk away with both aesthetically pleasing and high-value/high-dollar sustainable partnerships. The mixture of GPS’s Midwestern work-ethic and perpetual belief in building authentic relationships has resulted in a recipe for significant returns and long-term rapport with our partners. GPS has created a model (*illustrated below*) where everyone wins!

Naming Rights and Sponsorships will elevate a partner’s brand above any competition allowing them to create powerful, multi-faceted marketing platforms. Such partnerships will augment a partner’s corporate image, provide powerful and emotional brand association, and offer more value than any other advertising medium in the industry. These opportunities will offer extensive benefits packages that include, but won’t be limited to, exterior and on-site exposure, media coverage, digital assets, hospitality, and a host of other opportunities traditional marketing channels cannot provide.

## WHY GPS?

Properties turn to GPS for our comprehensive, made-to-measure Naming Rights & Sponsorship solutions to leverage the unique assets of each property to maximize revenue potential. GPS and its leadership have history of successfully executing Naming Rights, Sponsorships, Premium Seating, and other revenue-driven services throughout North America, which include, but aren't limited to:

**\$17.2 million dollars in private gross term revenue** generated for the award-winning Denny Sanford Premier Center via the sale of corporate sponsorships and premium seating, making it one of the few facilities of its kind successfully operating in the black.



**Eclipsing a seven-figure annual revenue number** through innovative sponsorship sales for the Sturgis Motorcycle Rally, the world's largest motorcycle rally. This quadrupled the stagnant annual figure upon taking over the account.



**Leadership with NFL & NHL experience,** including Executive in sales on a small and

elite team responsible for generating over \$1 billion in private revenue for Levi's Stadium, the new and current home of the San Francisco 49ers.



**\$2.2 million dollar, 10-year naming rights** deal for the Midco Aquatic Center in Sioux Falls, SD, which is believed to be the largest naming rights partnership ever secured for an aquatic facility. Plus, another quarter-million-dollars in sponsorships.



## EVALUATION

### EXAMINATION OF THE LOCAL MARKET

- Assessment of the competitive landscape
  - Revenue potential affected by type and number of local and regional properties and facilities
  - Creates competition for limited supply of corporate sponsorship dollars

### REVIEW OF FACILITIES

- GPS will analyze the facilities to identify and review key assets, including any existing sold and unsold inventory (if applicable).
- GPS will typically separate and catalogue these assets different key categories.
  - Naming Rights
  - Iconic Landmarks
  - Permanent Signage
  - Digital Signage
  - Intellectual property
  - On-site marketing opportunities
  - Retail activation
  - Broadcast Exposure
  - Hospitality
  - Print
  - Database marketing
  - Web/Social
  - Direct business opportunities
  - Other assets unique to the organization that may have potential value to sponsors
  - Category Exclusivity

### IDENTIFICATION OF NEW ASSETS

- Analyze viability of traditional inventory associated with naming rights and sponsorships
- Creatively develop and unlock opportunities associated with non-traditional assets
- Evaluate marketability of all assets to determine revenue potential
- Goal is to generate significant incremental revenue

### MEASUREMENT OF QUANTITATIVE BENEFITS

- Broadcast Exposure
  - Sponsor's name is visible or audible in broadcasts
- Website Exposure
  - Sponsor ID on official property website. Includes corporate logos, links to sponsor website, banner ads and sponsor videos. GPS values website exposure based on total unique visitors to a property website.

- Measured Media
  - Refers to the amount of advertising — print, TV, radio and internet — purchased by the property, or provided by its media cosponsors, which includes sponsor ID.
- On-Site Signage
  - Refers to sponsor ID on static signage, such as LED or video boards, wayfinding signage, banners along concourses and iconic landmarks. GPS values on-site signage based on quality and quantity of impressions, as well signage location, size and quantities.
- Tickets & Hospitality
  - Refers to suites, club seats, general admission tickets, passes, invitations to special events and other forms of priceless experiences.
- Activation & Promotional Opportunities
  - Refers to assets that are typically used to activate a sponsorship, such as new technology, emerging media, interactive displays, product sampling, and promotional giveaways. Valuation of sponsor activation and promotional opportunities varies greatly, depending on the desirability of the audience being sampled, as well as number, quality, and frequency of touch points.

#### RATING OF QUALITATIVE BENEFITS

- Prestige Factor
  - Refers to the brand equity that the property has built up. The more prestige a property possesses, the more likely sponsors will seek to associate with it.
- Audience Loyalty
  - Refers to the affinity that a property's audience has for the property. When a property possesses a high degree of audience loyalty, sponsors believe that loyalty will rub off on their brand through the association.
- Sponsor Protection
  - Refers to the protection a sponsor receives against ambush marketing, the degree to which sponsor clutter is minimized at the property, and whether the sponsor enjoys category exclusivity as part of its sponsorship package. Not selling sponsor benefits á la carte, keeping the property as clean and clutter-free as possible, and offering the sponsor category exclusivity constitute a high degree of protection.

- Activation Ability
  - Refers to the ease in which sponsors can promote and activate their sponsorships. For instance, a telecommunications company is presented with a natural opportunity to engage the audience and activate an arena sponsorship by providing free Wi-Fi hotspots for guests.
- Track Record
  - Refers to the property and/or client's history in both fulfilling sponsors and renewing sponsorship deals. Properties that provide a high level of service and consistently over-deliver for sponsors are more likely to have higher renewal rates, therefore increasing the desirability and the value of the sponsorship.
- Media Coverage Potential
  - Refers to the degree of media coverage inherent to the property. Properties with sports teams serving as primary tenants naturally have extremely high degrees of media coverage.

#### ESTABLISHMENT OF ASSET PRICING

- Compare fair market value calculations versus "real-world" sales experience and intimacy within the market and familiarity of the business landscape.
- Review and alignment of pricing with the client's leadership team.
- Fair market value baseline for conservative and aggressive scenarios.
- Impact of negotiation on final pricing.
- Include (if applicable) realistic sales projections for year 1 and beyond.

#### CALCULATION OF FAIR MARKET VALUE

- Measurement of quantitative benefits
- Rating of qualitative benefits
- Comparable properties
- Profile of demographic and socioeconomic indicators
- Assessment of geographic reach

### **PLATFORM DEVELOPMENT**

#### BUILDING OF NAMING RIGHTS/SPONSORSHIP PLATFORMS

- Key objectives
  - Enhance the venue
  - Improve the guest/visitor experience

- Successfully meet the objectives of the sponsor
- Stages
  - Initial platform development
  - Subsequent design
  - Implementation of programs
- Goals
  - Maximize sponsorship revenue for the property
  - Deliver ROI to the sponsor
- Structure
  - Discuss overall sponsorship philosophy for the property (i.e. clutter-free “less is more” approach)
  - Assessment of a multi-tiered sponsorship platform
  - Development and defining of a “Signature Partner” type concept

## **SALES EXECUTION**

### DEVELOPMENT OF PROSPECT DATABASE

- Develop approach strategy for incumbent corporate partners
- Identify and tier qualified local and regional prospects
  - Traditional / Non-Traditional B2C companies
  - Traditional / Non-Traditional B2B companies
  - Vendor / Product integration opportunities
- Assess specific sponsorship opportunities unique to the property
- Utilize knowledge of marketing initiatives to strategically rank and tier categories and appropriate candidates

### EXECUTION OF SPONSORSHIP SALES

- Extensive prospecting and research
- Arrange initial needs analysis meetings to gain understanding of prospect's:
  - Products and services
  - Goals/objectives with respect to assets available
  - Revenue drivers, target demos, and business challenges
  - Strategic marketing initiatives and brand attributes
  - Corporate values and community involvement
- Creation of customized presentations and proposals
- Negotiations management and contract execution

- Provide sales pipeline reports on a mutually determined schedule

#### MANAGEMENT OF NEGOTIATION PROCESS

- Follow up on all proposals to review and overcome objections
- Define the decision-making process and timeline
- Identify opportunities to restructure proposals as needed
- Once partnership is finalized, draft agreements and manage contract execution

### **SCOPE, TERMS & PROFESSIONAL FEES**

#### **SCOPE OF WORK**

- The purpose of this partnership is for Great Plains Sponsorships to reasonably determine the potential supplemental revenue Mitchell Recreation Center could generate via the sale of Naming Rights thereafter, represent the organization as a sales agent to sell such corporate partnership accordingly. The scope is expressly limited to the Mitchell Recreation Center itself and does not include other Park and Recreation facilities such as the Outdoor Aquatic Center, Ice Arena, Baseball/Softball complex, Soccer Fields, etc. No naming rights or revenue generating sponsorship shall have any application outside of the Mitchell Recreation Center itself without written approval from the City.

#### PHASE I: PLANNING

- GPS will send the Client's designated contact(s), via e-mail, a checklist requesting a variety of items needed to effectively gain a much deeper understanding of the complexes. Please note that some of these elements may not currently exist, and we may need to make some educated guesstimates during planning. Examples of elements contained on this checklist (for each facility) may include, but not be limited to, the following:
  - Overall sponsorship philosophy for the facility — for example, a “less is more”
  - Anticipated type of events / attendance / anticipated annual attendance / prospective growth
  - Construction facts and figures for the facility
  - Detailed maps of the facility's location
  - Current traffic counts surrounding the facility
  - Projected website and social media initiatives, related metrics and growth rates
  - Anticipated annual media buys associated with the new facility, if any
  - Listing of various collateral material needed annually and related metrics
  - Various renderings, graphics, and blueprints for the facility
  - Proposed assets, inventory, rights and benefits, and other sponsorship-related ideas currently identified by Mitchell Recreation Center (if any)



- List of key vendors and existing sponsors
- Ordinances that may define, prohibit, or otherwise limit sponsor rights and benefits

## PHASE II: EVALUATION

- GPS will work with the necessary parties to review the checklist, tour the site(s) thoroughly, and address all other relevant topics. Such correspondence will be pertinent and critical to work/timing associated with all future phases of the project. Thereafter, GPS will perform all services previously outlined in the “Evaluation” section of this proposal, including but not limited to:
  - Examination of the local market
  - Review of existing inventory
  - Identification, creation, and development of new assets
  - Building of sponsorship platforms, including potential tiered levels of sponsorships. For example, a “Signature Partner” program.
  - Measurement of quantitative benefits
  - Rating of qualitative benefits
- *Other services that aren't typically included, however, can be negotiated as part of a tailored partnerships, depending on which option (below) is selected include: Plug n' Presentation development, Proposal Templates, Contracts.*
- It should be emphasized that while GPS has an analytical methodology for evaluation, we also have a vast amount of evaluation and sales-execution experience. This “real-world” experience is always applied during our evaluation process to better ensure our numbers are realistic and may more reasonably be attained. We believe our extensive sales experience, separates us from our competitors when assessing and valuing inventory and marketing platforms. Additionally, for Naming Rights and Sponsorships there may be a potential philanthropic and emotional component to this venue that may not necessarily exist with others. GPS would work with the client's designated contacts to evaluate the impact of this additional value driver, and how it might materially impact revenue generation in a positive manner.

## PHASE III: SALES EXECUTION

- Upon completing Phases 1-2 and providing all results to appropriate individuals, GPS can commence naming rights and sponsorship sales execution, including the services

previously detailed within the “Sales Execution” portion of this presentation, which include but aren’t limited to:

- Development of a prospect database
- Turnkey sales execution
- Management of the negotiation process

## TERMS & PROFESSIONAL FEES

### *OPTION A: Sales Execution*

- The initial term shall commence on the date of signing and the initial length of term shall be one (1) year. Either party may terminate the agreement upon thirty (30) days’ written notice for any reason. The initial term may be extended by mutual written agreement of the parties.”
- GPS will provide **Phases 1-3** for the following:

<b>Tier Structure</b>	<b>Commission</b>	<b>Asset to Sell</b>
Tier 1	20%	Naming Rights Only

- GPS shall receive the agreed upon commission percentage based on total gross cash revenues secured for any naming rights or sponsorship agreement.
- Commissions will be paid to GPS within thirty (30) business days after receipt of a payment by the Association from a sponsor.
- GPS and Client understand and agree that GPS will not offer a sponsor naming rights for less than one million dollars (total value).
- Upon hiring GPS, the Client understands the obligation to pay commission for the naming rights partner secured for the project during the term of the agreement. The only exceptions must be disclosed and mutually agreed upon in writing prior to the partnership commencing. In the event that GPS is unable to secure an acceptable naming rights partner, GPS shall not be entitled to receive, nor shall client be obligated to pay, any compensation whatsoever, except such reasonable travel expenses provided for below.
- Commissions will be paid over the life of such agreements, unless otherwise indicated and mutually agreed upon (i.e. lump sum payout). The Client understands the obligation to pay commission, if applicable, may extend beyond the expiration of agreement. For example, if a 10-year/\$100,000 partner was secured with a payment schedule of \$10,000/year, GPS would receive the agreed upon commission amount each year for 10-years.

- Client is responsible for providing GPS with digital and printed materials needed to successfully execute this project.

#### **SUPPLEMENTAL TERMS & EXPENSES**

- Client is responsible for all reasonable travel accommodations required to successfully execute this project as follows:
  - South Dakota Mileage/gas reimbursement for project-related transportation which will be tracked by GPS and reported to Client quarterly. All travel to be approved by Nathan Powell
- GPS will be responsible for all other reasonable out-of-pocket expenses associated with the project, including prospect entertaining, lodging, internal staff compensation, and all other customary costs, unless otherwise mutually agreed upon.

#### **CLIENT APPROVAL**

*Please select one*

Initial \_\_\_\_\_ Date \_\_\_\_\_

*A formal contract executed by both parties will accompany this proposal*