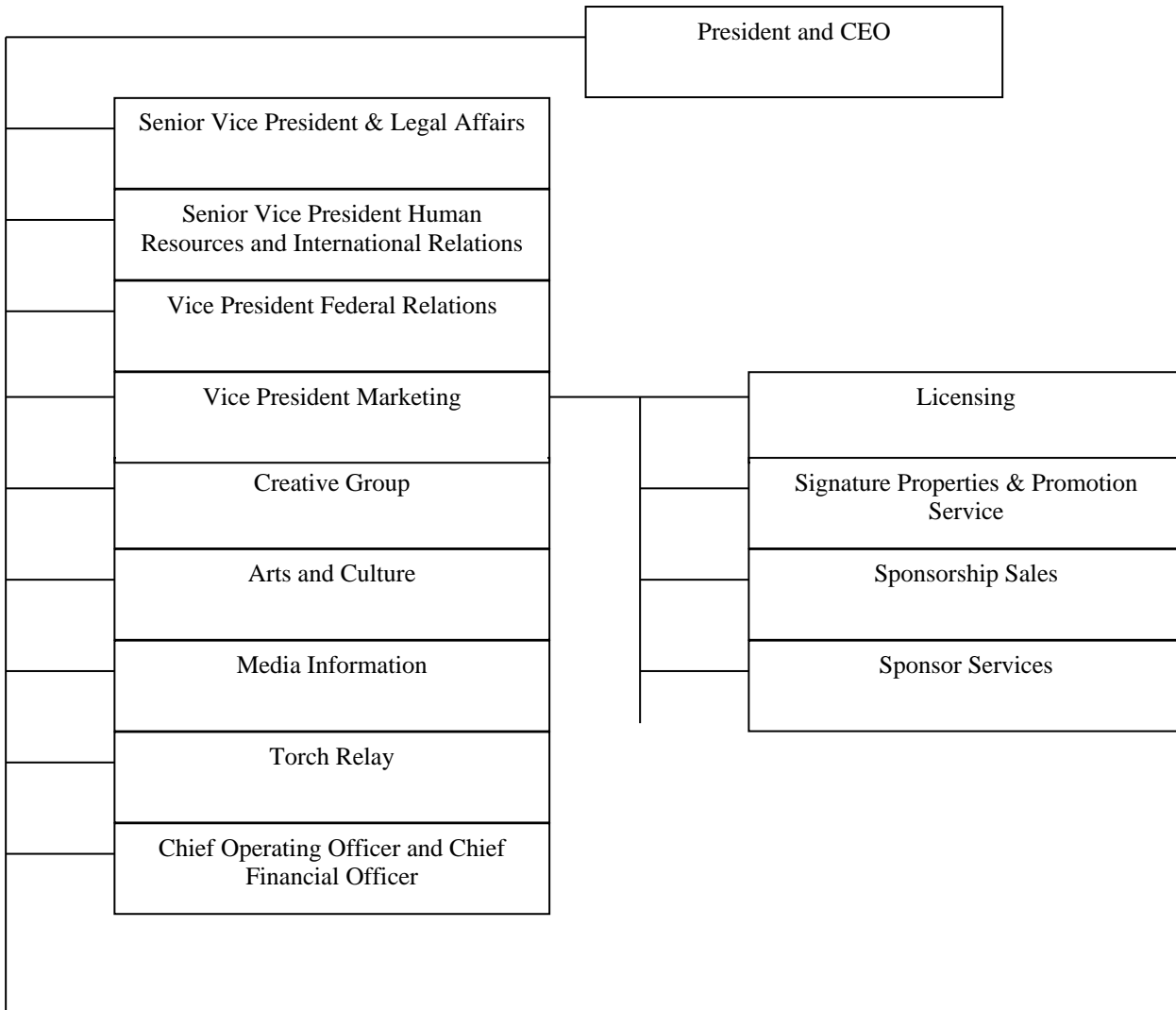


Sales & Marketing

0. Introduction

Give a short snapshot on the programme with the key information that allows its framework to be roughly understood. Include: position in the organization, date of creation, extract on staff numbers, mission statement. Some of this info can probably be found in databases or existing documents.



The Sponsorship Sales is, together with Licensing, Signature Properties, Promotion Service and Sponsor Services, one of the four elements that compose the Marketing Function, that is directly linked to the President and C.E.O.

OPUS

In 1997 it was created the Olympic Properties of the United States (OPUS), a joint venture between SLOC Sales and Sponsorship function and the United States Olympic Committee (USOC), which allows leverage of investments until 2004. It will last for eight years, so that sponsorship packages will be sold for the Salt Lake City Games and beyond.

In conjunction with OPUS partners and USOC, the SLOC Marketing Function will plan and execute all sales and program funding activities on behalf of SLOC as relates to OPUS Sponsors and OPUS Suppliers.

Sales

The purpose of the Salt Lake Organizing Committee (SLOC) Marketing Function is to identify and secure sponsorship and related revenues that will help fund the 2002 Salt Lake Olympic Winter Games and 2002 Salt Lake Paralympic Winter Games.

In addition to the Sponsorship Sales, the Marketing Function will operate in:

- Ø Licensing, which sells and control the right to use Olympic-related designations on products for retail sale.
- Ø Signature Properties, which are programs and events, designed to promote Olympic-brand association and complement (it will operate in the following areas: Arts and Culture, Education, Environment, Mascot Tour, 2002 Paralympics, Test Event, Torch Relay, Youth Sports),
- Ø Sponsor Servicing, which delivers services and hospitality to Sponsors.

The Sponsorship Sales function was created in 1997, at games-5, and it is composed by eight staff people and the support of IMG, a marketing agency involved in 1999.

The Sponsorship Sales staff will transition into a Sponsor Services function at Games time.

1. Definition of Program

1.1 Major Deliverables

Areas of responsibility and services to be delivered to the different clients. What are the main tasks/responsibilities of the program, pre-Games as well as at Games time? Describe to which clients you provide each service. If adequate/relevant, explain which functions in your program were centralized/decentralized.

In order to help fund the Games, the SLOC Sponsorship Sales Function, in conjunction with the OPUS partners, had to generate \$806 million in total revenues, with targets of \$469 million in cash and \$337 million in VIK (Value In Kind). The needed revenues have grown to \$ 859 million.

The first big deliverable was the conception of what they had to sell: it is an idea, an abstract image that reflects the Olympic values, which are Unit, Spirit, Innovation, Friendship, Fair-Play, Ethic. These values are usually the same that companies would like to express in their campaigns, so they had to explain to companies that from this intangible association they would have a tangible return. Then they had to sell the other things related to sponsorship, that are hospitality, tickets, signature properties, Paralympic sponsorship; it was decided to organize these elements in separate sponsor packages. All deliverables evolved around the fund raising aspect.

Any activity that could make a positive contribution to fund raising were under Sales responsibility, including:

Ø Sponsorship:

To reach its revenue objectives, the Marketing function decided to focus on five sales-driven Projects:

1. Administration & Management, comprised of SLOC Marketing and OPUS staff.

The operating budget for the SLOC Marketing staff was a component of the overall SLOC Games budget. The operating budget for the OPUS staff was provided for as a part of the \$25 million management fee SLOC has contracted to pay the USOC as part of the OPUS agreement.

2. OPUS Sponsor & Supplier Sales: in order to generate SLOC's needed revenues, the OPUS objective was to secure approximately eight Partners (representing five \$50 million product categories) at a total of \$250 million (\$167 million in cash, \$83 millions in VIK), fifteen Sponsors at a total of \$325 million (\$208 million in cash, \$117 million in VIK) and thirty-five Suppliers, who would have to pay between \$5 million and \$19 million, to reach the amount of \$216 million (\$79 million in cash, \$137 million in VIK).

In addition, in order to help fund the Paralympic Games, the objective was to secure the commitment of a minimum fifteen OPUS Partners and Sponsor to contribute an incremental \$1 million each.

3. SLOC Sponsor Inventory to TOP/OPUS: as a mean to generate additional revenue via incremental sponsorship participation, Games-related programs and special events were created, packaged and sold to participating TOP and OPUS Partners and Sponsors

4. SLOC Patron and Provider Program: in order to generate additional cash or VIK, SLOC decided additionally to create and to sell SLOC Patron packages as well as SLOC Provider packages.

The SLOC Patron package consists of tickets to Games competitions. A SLOC Provider donates needed VIK to SLOC in total dollar amounts that fall below the OPUS minimum required. Both packages had to be marketed to non-TOP and non-OPUS companies. This program had not to begin until the OPUS sales effort had been formally completed.

5. New Sources of SLOC Revenues/SLOC Capital Campaign: in an effort to generate an additional revenue for SLOC, as well as to minimize the adverse effects caused by a cash shortfall, the Marketing Function undertook to identify and secure new sources of SLOC revenue. Specifically it undertook to design and execute a SLOC Capital Campaign, after OPUS sales effort had been completed. These included:

- Ø Donor programs
- Ø Brick Program
- Ø License Plates
- Ø Other events (Torch Relay, Arts) together with Signature Properties

1.2 Main Working Relationships

Explain which parties and departments you interact internally and externally on a day to day basis to run the programme. Which are the parties involved in the delivery of the service (sponsors, agencies) and what are your daily interactions with the various departments or other partners? Be aware that chapter 3.a.1 deals with the workforce structure in more detail.

The Marketing Function is in relationship with many entities, internally as well as externally. They must know all the needs of cash or VIK of almost all the functions that compose SLOC; besides they must guarantee a strict relation with their partners and sponsors.

The Sponsorship Sales Function interfaces internally with the following functions:

1. Legal: relationship about the review drafting and execution of all OPUS, TOP and SLOC sponsorship-related agreements and legal documents.
2. Finance: relationship about the project, forecast and review of the cash and VIK amounts included in each OPUS, TOP and SLOC sponsorship-related agreement; in addition about the monitoring of all OPUS royalty payments to SLOC as well as SLOC royalty payments to IOC and about the review of Sales and Marketing Function revenue and expense activities.
3. Sponsor Service: relationship about the planning, strategy and implementation of all OPUS, TOP and SLOC sponsorship programs and about providing contracted hospitality rights and recognition deliverables to each Sponsor or Supplier.
4. Licensing: relationship about the selling of licensing rights, the planning, strategy and implementation of SLOC licensing opportunities and activities for all Sponsors or Suppliers and about the acquisition and use of SLOC licensed merchandise for gifts.
5. Telecommunication: relationship about the planning, strategy, negotiation and implementation of sponsorship operation activities and Games-time hospitality needs for all Telecommunication Sponsors.
6. Information Technology: relationship about the planning, strategy, negotiation and implementation of sponsorship operation activities and Games-time hospitality needs for all Information Technology Sponsors. Telecommunication and Information Technology are the two biggest VIK sources.
7. Timing and Results: relationship about the planning, strategy, negotiation and implementation of sponsorship operation activities and Games-time hospitality needs for all Timing and Results Sponsors.
8. Transportation: relationship about the planning, strategy, negotiation and implementation of OPUS Sponsor activities and Games-time transportation needs; about pre-Games time Sponsor visit transportation needs.
9. Games Services: relationship about the planning, strategy and implementation of all Sponsors activities and needs at Games-time.; about Games Services needs at pre-Games time Sponsors visit.
10. Procurement: relationship about the identification of SLOC VIK needs as relates to sponsorship opportunities; about the monitoring of all Sponsors and Suppliers VIK components and usage.
11. Ticketing: relationship about the planning, strategy and implementation of all Sponsors and Suppliers activities and Games-time ticketing needs.
12. Accommodations: relationship about the planning, strategy and implementation of all Sponsors and Suppliers activities and Games-time Accommodations needs; in pre-Games time Sponsor visit Accommodations needs; about the identification and negotiation of an OPUS Sponsor in the lodging category
13. Accreditation: relationship about the planning, strategy and implementation of all Sponsors and Suppliers activities and Games-time Accreditation needs; about the needs at the 2000 Sidney Olympic Summer Games.
14. Paralympics: relationship about the planning, strategy negotiation, funding and implementation of TOP and OPUS Paralympic Sponsors; about the generation of incremental revenue for the Paralympics; about the planning and implementation of OPUS and TOP Paralympic Sponsor Games-time hospitality and recognition activities and needs.
15. Sports: relationship about the planning, strategy, negotiation, funding and implementation of any Sponsor or Supplier participation in SLOC test events; about the generation of incremental income for SLOC test events; about test event Sponsor hospitality and recognition activities and needs.
16. Communications: relationship about the planning, strategy, negotiation, funding and implementation of any Sponsor or Supplier participation in SLOC Signature Events or Programs; about the generation of incremental income; about the planning and implementation of Sponsor and Supplier hospitality and recognition needs related to Communications programs or initiatives; about the planning and production of Marketing materials.
17. Image, Games Ceremonies and Games Presentation: relationship about the planning, strategy and implementation of any Sponsor or Supplier presence or recognition activities or needs related to this function.

The Sponsorship Sales Function interfaces externally with the following entities:

1. IOC and Meridian: the IOC and its marketing agent, Meridian Management, to ensure all OPUS Partner, Sponsor and Supplier agreements in compliance with IOC guidelines.
2. USOC: it was the most critical external interface SLOC has. If the USOC, which contractually took the lead on the OPUS sales effort, was not successful in reaching OPUS's overall cash and VIK objectives, SLOC Marketing would have had to make up the difference.
3. Partners, Sponsors and Suppliers: they are the closer associates and allies in funding the Games and the Paralympics.
4. IMG: it is a marketing agency, chosen in 1999, after the scandal, in order to be sure to reach the programmed amount of revenue.

1.3 Key Statistics

Summarise the „big numbers“ to describe the scope of your programme. A detailed list of key statistics to be provided per programme has been elaborated and will be attached. The majority of these statistics can probably be found in existing material/reports.

Projected

| <u>LEVEL</u> | <u>CASH</u> | <u>VIK</u> | <u>TOTAL</u> |
|----------------|---------------|---------------|---------------|
| Partners (8) | \$167,000,000 | \$83,000,000 | \$250,000,000 |
| Sponsors (15) | \$208,000,000 | \$117,000,000 | \$325,000,000 |
| Suppliers (35) | \$79,000,000 | \$137,000,000 | \$216,000,000 |
| SUBTOTAL | \$454,000,000 | \$337,000,000 | \$791,000,000 |
| Paralympics | \$15,000,000 | | \$15,000,000 |
| TOTAL | \$469,000,000 | \$337,000,000 | \$806,000,000 |

Effective

The effective amount of revenue is of \$ 850 million: of these, VIK is above the 100% targeted, and cash is below.

2. Working Assumptions and Key Issues

2.1 Assumptions and Strategic Choices

Fundamental strategic decisions which have been taken especially at the early stage to determine the direction of the programme. This can be, for example, strategic alliances with partners or any other main choices which influenced the strategy and direction of the programme. Explain also why you made these choices. It may be interesting to show which were the other possible options. Needs extensive Programme Manager input from the TOK interviews.

The first big strategic choice taken by SLOC (Salt Lake Organizing Committee) Marketing function was, in 1997, the creation of OPUS (Olympic Properties of United States), a joint venture between SLOC and USOC (United States Olympic Committee).

It gave SLOC the opportunity to exploit USOC's experience and know-how about sport marketing and sales; this joint venture should expire in 2004.

- Ø The Sponsorship Sales function chose to split the product categories into sub-categories, in order to increase the opportunities of getting new sponsors, not giving them the exclusivity of a particular product category.

Obviously, any sponsor will desire to have their products and services showcased as part of the Olympic Games. This desire can create a very real tension between the operational objectives of the organizing committee and the revenue goals.

- Ø They used a customized sales approach: a „user friendly“ behavior is in fact always better than a static one, and it makes each sponsor feel that the sponsorship is the one he needed.
- Ø The Chief Executive Officer of SLOC has much experience in marketing, so he has been able to maintain a direct contact with sponsors.
- Ø „Under promise and Overachieve“: if you promise less than you could afford, sponsors will get satisfaction, realizing that you have achieved much more.
- Ø „Less is more“: Sponsors are willing to pay more if there are fewer other Sponsors. (NB: while this objective was often discussed as a selling point, in reality the revenue demands placed on the sponsorship area dictated that the organizing committee did as many deals as possible, thereby failing to really adhere to this premise).
- Ø In order to increase the number of local sponsors, it was decided to lower the entering level of sponsorship for Utah companies from \$10 million to \$7 million.
- Ø There were decided three levels of sponsorship: Partners, Sponsors and Suppliers. One of the key issues facing any domestic marketing program is trying to create packages that allow for different levels of investment. For Olympic marketing the real „asset“ is the right to use the intellectual property of the Olympic family members. As such it is hard to create a distinction between companies which invest a great deal for sponsorship rights fees and companies that pay a smaller sum. In order to attempt and create some distinction, OPUS devised a plan to use a more restricted form of logo for all suppliers. Also the rights to purchase hospitality such as hotel rooms and tickets were scaled directly to the amount of the rights fees.
- Ø Finally, after the scandal of 1998, the management decided to use an external partner, the IMG, one of the most powerful marketing agencies, to be completely sure to reach the programmed amount of revenues.

2.2 Key Issues

What are the key issues and challenges relating to your programme and what did you do to deal with the challenges? To what extent did these issues influence your strategy? Needs extensive Programme Manager input from the TOK interviews.

- Ø The Sponsorship Sales function had to create a team that works well together: strong „chemistry“ can often make up for a perceived lesser level of skill.
- Ø It was essential to make sponsors understand how big and important are the Olympic Games and the related activities, justifying the size and the quantity of investments they have to sustain.
- Ø It was a challenge to adequately include and support all the Paralympic marketing activities in order to avoid the risk of public and Paralympic backlash if SLOC was perceived as only caring about the Games and not the Paralympics.
It has been solved creating an effective Paralympic organizing structure that involved all the SLOC functions and especially by a big media exposure.
- Ø To find the right sponsors for some SLOC functions was problematic, because they wanted the best sponsors in order to have the best VIK: sometimes functions wanted to work with certain products and therefore they wanted to have a certain sponsor (which was not necessary interested in the Olympic Games).
- Ø Operational implications of contracts have to be thought about early on.
- Ø Slowdown of new economy sector can cause cancellation of hospitality and other engagements (hotel rooms
- Ø Finally the probably biggest issue was to overcome the damage that the corruption scandal of 1998 caused to the SLOC image.
SLOC Sales and Marketing Function was able to do it by giving SLOC a renewed and clean image at potential Sponsors eyes, helped by IMG agency.

2.3 Preliminary Information

Outline sources of information that you used to acquire background information. Before setting up the programme, what were the indispensable pieces of background information that you used and which you could especially recommend?

The best source of information SLOC Sponsorship Sales Function used was USOC experience in 1996 Atlanta Olympic Summer Games.

Many people that worked for Atlanta Marketing Function went or returned to USOC, giving SLOC the opportunity to exploit their know-how.

This was the basis on which the OPUS program was created and grew.

The other main source was IOC Marketing Department experience and documentation, which gave SLOC not only much information, but also the guidelines of action.

2.4 Non-Transferable Elements

Specific local conditions of a city or a country which vary from Host City to Host City. Think of the social, political, legal, environmental etc. conditions which may have had an impact on your programme. Which ones are unique to Salt Lake and unlikely to be applicable elsewhere?

The first element that is difficult to find elsewhere is the timeliness of two Olympic Games in the same country.

There is a great sport marketing culture in the U.S.A. Event sponsorship is usual and the companies' managers have excellent experience.

The laws of Utah are another peculiar element that rule the behavior in Salt Lake City: The alcohol laws, for example, are quite different from stricter than in other countries or states.

Finally the particular geographic and historic conditions of Salt Lake are unique. For example, the „Pioneer Feeling“, one of the leading themes of these Games, is not applicable anywhere else.

3a. Core Resources / Human Resources

3a.1 Workforce Structure

Description of the Human Resources structure and its different components. Explain the composition of the workforce employed in your program area. Distinguish between in-house and outsourced tasks. Describe the scope and responsibilities related to each category. Needs extensive Program Manager input from the TOK interviews.

The workforce structure that operates for SLOC sales can be divided in three separated entities: the internal Sales and Marketing Function and the external OPUS and IMG partners.

The Sales and Marketing Function has changed its composition during the pre-Games time: it has grown in the period 1997-2000, then it has started decreasing, in order to transit into a Sponsor service function at Games time. At its maximum development seven people composed it: the Managing Director of Sales and Marketing, the Administrative Assistant, the Senior Manager of Sales and Marketing, two Managers of Sales and Marketing, the Manager of Donor and Development services, the Manager of Licensing Sales.

3a.2 Quantitative Analysis

Number of personnel per workforce category at different stages of the organization This represents the quantitative picture of the previous chapter and describes the staff evolution of the department (and related agencies) over time. Provide head counts on a yearly basis. In Sydney they used Peoplesoft which contained this info. SLOC has probably something similar?

| | G-7 | G-6 | G-5 | G-4 | G-3 | G-2 | G-1 | Games |
|-------------|-----|-----|-----|-----|-----|-----|-----|-------|
| OPUS | 6 | 6 | 6 | 6 | 2 | 2 | 1 | - |
| SLOC | - | - | 1 | 2 | 4 | 7 | 7 | * |
| IMG | - | - | - | - | 3 | 3 | - | - |

* Sponsorship Sales turns into Sponsor Services at Games time.

3a.3 Job Description

Tasks/responsibilities as well as required profiles. Provide a description of each position in your program and indicate the start dates of each position. Include also key positions of partners (agencies, contractors, consultants) and admin, but do not go into detail in their description. Departments have probably written job profiles. SOCOG had them in a database, but they may be stored elsewhere.

- Ø The Managing Director of Sponsorship Sales: overall responsibility for the Function; primary importance is to ensure accountability within the organization for the Sponsors, their products and services, and the contracted relationship; he also manages and is the last point of response for Sponsor issues; finally he is in relationship with the Marketing Vice President, the other functions and the external partners.

He started at Games-5 (27/7/1997)

- Ø The Administrative Assistant started at Games-2 (18/1/2000)

- Ø The Senior Manager and two Managers of Sponsorship Sales: they are responsible for searching opportunities and driving deals to completion; they are in contact with internal user groups, as well as the external partners; they depend on the Managing Director.
The senior Manager started at Games-4 (1998), the Managers started at Games-3 (12/7/1999 and 26/7/1999)

- ∅ The Manager of Donor and Development services: responsible for finding, managing and looking after Donors; she is in contact with the other internal functions and the external partners; she depends on the Managing Director.
She started at Games-3 (16/8/1999).
- ∅ The Manager of Licensing Sales: responsible for licensee finding and choosing; he is in contact with the internal functions and the external partners; he depends directly on the Managing Director of Sales and Marketing.
He started at Games-2 (10/1/2000)
- ∅ The OPUS partnership started in 1997.
- ∅ The IMG partnership started in 1999.

3a.4 Organization Charts

Evolution of the department's organizational structure over time. Use a **Work Breakdown Structure** to show the evolution of the functions. Create a new chart for each year starting from the program's creation up to Games time. Highlight the new functions in the charts and indicate the month of initial appointment. Use MS PowerPoint charts. In Sydney this info was contained in Peoplesoft. It is important to be able to track the evolution over time.

1997

Managing Director of Sponsorship Sales

1998

Managing Director of Sponsorship Sales

Sponsorship Sales Senior Manager

1999

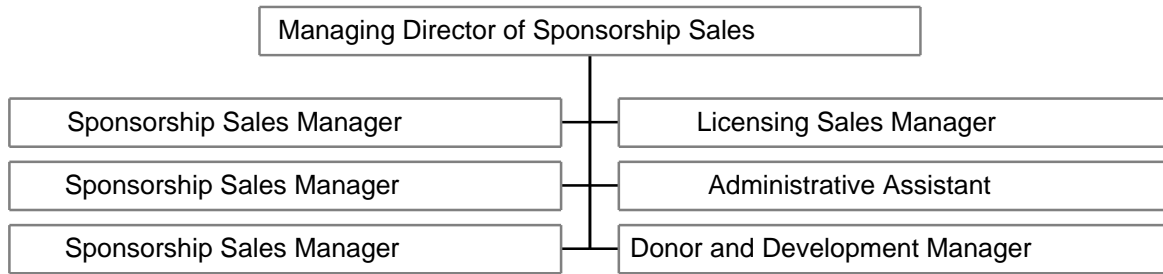
Managing Director of Sponsorship Sales

Sponsorship Sales Manager

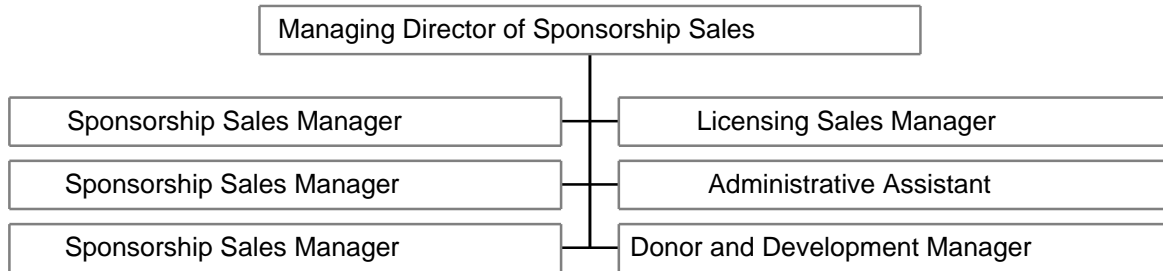
Sponsorship Sales Manager

Senior Sponsorship Sales Manager

2000



2001



2002

At Games time Sales and Sponsorship Function turns into Sponsor Services Function.

3b. Core Resources / Budget

3b.1 Core Program / Revenue and Expenditure

The ultimate objective for the presentation of financial data in the Transfer of Knowledge (TOK) Program Guides is that the financial information adequately reflects the program's operational and parametric planning, such that newcomers to the Olympic planning environment have a point of departure from which to reference their own operational and financial planning. With this in mind this section has the objective of collecting two sets of information:

1. Description of the important cost drivers of your program with a further breakdown into line items over time. Use the [table provided](#) for this purpose. Which are the main cost parameters that have an impact on the planning of your program? Main cost drivers to be identified and explained by Program Managers. The aim is to portray financial data relevant to core operational components, and not necessarily within the standard accounting category classifications contained within the financial system.
2. Total revenues and expenditures by program should be analyzed to reflect changes in total program revenue and expenditure line items between each of SLOC's budget and forecast revisions. Major changes to each program budget should be portrayed and explained. This budget data should be obtained from the Core Budget so that it is consistent across all programs.

Revenue

Of the \$469 million in cash that was needed to be generated by OPUS, SLOC's maximum cash potential was \$269 million, with \$254 million earmarked for the Games and \$15 million earmarked for the Paralympics. \$254 million in Games cash revenue had to be generated by the formulation of OPUS Sponsor agreements. The two levels of OPUS Sponsor agreements were categorized as „Partners“ (those companies or designated product categories generating \$50 million and above in cash and VIK) and „Sponsors“ (those companies or designed categories generating between \$20 million and \$49 million in cash and VIK). In addition to the \$575 million that was needed to be generated from Partners and Sponsors, OPUS had to generate other \$216 million (\$79 million in cash and \$137 million in VIK) in OPUS Supplier agreement. Finally, OPUS had also to generate an additional \$ 15 million in cash to help fund the Paralympic Games.

Costs

| OPERATIONAL COST PARAMETERS | G-3 | G-2 | G-1 | 2002 |
|--|------------|------------|------------|-------------|
| Administration & management | \$144,085 | \$91,145 | \$52,680 | - |
| OPUS Sponsor & Supplier Sales | \$14,000 | - | \$14,000 | - |
| Marketing-SLOC Patron & Provider Program | \$50,000 | - | - | - |
| Sponsor inventory to TOP/OPUS | - | - | - | - |
| New sources of SLOC revenue | \$100,000 | - | - | - |

3c. Core Resources / Other

3c.1 Logistics

Programme specific material and workspace. Which special tools, material, workspace did you use/will you need to deliver the service? Please omit all standard office equipment and concentrate on logistical aspects with a major impact on resources in terms of time, space, money etc. Numbers can eventually be checked with admin services of the corresponding department

The Sponsorship Sales function only needed traditional office equipment .

3c.2 Information Technology

Programme specific hardware and software. Which special tools, material, workspace did you use/will you need to deliver the service? Please omit all standard office equipment and concentrate on logistical aspects with a major impact on resources in terms of time, space, money etc. Numbers can eventually be checked with admin services of the corresponding department.

They used customized sales hardware or software.

3c.3 Publications

Internal and external publications of your programme. List your programme’s publications, their specifications and purpose. Distinguish between publications for the general public/external use and internal working documents (only key documents). There may be a central publications database containing all this info.

| | | |
|--|--|---|
| Ambassador Christmas Dinner Invite | | 1 |
| Ambassador Program Dinner Invitation | | 2 |
| Bay Area Fundraiser Invitations | Same invitations as last (Olympic flag) with revisions to date and time. Originally due 9/8/00. Karen extended until 9/12. | |
| Brick Poster - Ex-US Athletes Mailer | | 2 |
| Brick Program Ad | Decided on 8 1/2" x 11" | 1 |
| Brick Program Brochure - REPRINT/REDESIGN | | |
| Brick Program Color Brochure | Brick program promotional brochure | 2 |
| Brick Program Float Script | Brick programscript to be announced during parade | 1 |
| Brick Program - Holiday Newspaper Ad | | |
| Brick Program Home Depot Inserts | Brick program promotional insert for Home Depot | |
| Brick Program Home Depot POP | Brick programs POP to contain only the brochure | 1 |
| Brick Program Information | | 1 |
| Brick Program McDonalds Tray Liners & Bags | Produced by McDonalds | 1 |
| Brick Program Poster | Added to list 6/1/00 | 1 |
| Brick Program - Radio & TV Spots | | |
| Brick Program Website | Provide InnoTrac w/web content | 1 |
| Business Lunch Invite #2 | | 2 |
| Delta Brick Insert | | 2 |

| | | |
|--|--|--------|
| Donor Certificate (Poster) | Donor certificate for people who give \$100,000 or more. | 1 |
| Donor Medal | | |
| Donor program brochure | Brochure presenting Ambassadors program. Heroism and history of the Games. quotes, letters, insert on the program. | 8 |
| Investors choice west ad | | 1 |
| License Plate Program - DMV Renewal Insert | Moore Business Communications producing | 2 |
| License Plate Program - Flyer | Flyer w/order form as of 10/27/00 | 1 |
| License Plate Program Horizontal Banner | Horizontal banner w/license plate image | |
| License Plate Program - New Theme | New theme for the License Plate Program | 1 |
| License Plate Program Newspaper Ad | Publicis to use artwork from License Plate Poster | |
| License Plate Program - POP Display | | 1 |
| License Plate Program - Poster | Posters to be placed at DMV locations & Car dealers Print 1,000 at a time @ the Digicentre | 1 |
| License Plate Program - Video Sleeve | | 1 |
| License Plate Program Website Content & Design | Update content on current website and redo design with new look | 1 |
| Look Catalog | Brick program promotional ad to appear on day of the announcement and on day of the Parade | |
| Mascot Costume Program Binder Covers | | 11 |
| Mascot Costume Program Tabs | | 10 |
| Mascot Costume Program TEXT EDIT/FLOW | Light edit and flow into Quark - Print at Digicentre | 104 |
| „Olympic Days“ Poster | 2 versions: 1 with License Plate, 1 without License Plate | 1 |
| Photo Shoot - Countdown Auction Sculpture | 1 year out (February 2001) 6 months out (September 2001) | |
| Pioneer Day Celebration Frame Design | | |
| Questar Insert (Brick & License Plate UOP Invitation | | 2 4 |
| Sponsor Workshop Binder | | 250 |
| Sponsor Workshop binder reprint | Chapters on core assets (A&C, sports education, Torch Relay, Mascot Tour, Environment, Paralympic, Training events), welcome letter, attendee list, billboard review, Marketing timelines, all info on workshops | 226 |
| Sponsor Workshop CD and Cover | | 1 |
| Sponsor Workshop Photographer | Photographs for Sponsor Workshop, February 7-9 2001 Need to hire an assistant for photographer to keep track of caption information | |
| Sponsor Workshop Pin | Christina to handle. Take off CS job list. Design pin for Sponsor workshop Feb 2001. | |
| Sponsor Workshop Registration Forms | | 3 |
| Sponsor Workshop Slide presentation | | |
| Summer Invitation | | 2 |

| | |
|--------------------------------------|--|
| Venue Hospitality Center Credentials | This is a day-pass, need four different colors (rotates daily) for each venue: Snowbasin, Soldier Hollow, Deer Valley, Utah Olympic Park. Randy likes Children's Medical Center example in folder. Want look for Games, SLOC logo, picture of venue. |
| Workshop binder | Color cover, tabs, b&w inside, 2sided, tape bound sections. Look for a theme: two years out. 120 |
| Workshop Binder | PPT with two to four tape-bound sections |
| Sponsor Workshop book | Chapters on core assets (A&C, sports education, Torch Relay, Mascot Tour, Environment, Paralympic, Training events), welcome letter, attendee list, billboard review, Marketing timelines, all info on workshops |
| Sponsor Workshop photographer | Draft list of at least two event photographers and present their portfolio and rates. |
| Sponsor Workshop PPT Presentation | Consistent look and content with presentation book |
| Sponsor Workshop video | Videos to illustrate the core assets: Art and Culture, Sports Education, Torch Relay, Mascot Tour, Environment. |

4. Milestones

4.1 Key Events

Key deliverables and milestones. Outline in chronological order the key deliverables and milestones in a Master plan like style. Make sure that every item is self-explanatory. Include all events requiring IOC approval and mark Host City Contract and Olympic Charter requirements with an asterisk. This information could be drawn from SLOC's planning dept/Masterplan tool.

- Ø 1997: The Sales and Marketing Function was set.
- Ø 1997, Jul: Don Stirling, Managing Director of Sales and Marketing, was hired.
- Ø 1997: OPUS partnership, in joint venture with USOC.
- Ø 1998: Definition of the Marketing Plan
- Ø 1998: Definition of the budget
- Ø 1998, Nov: Corruption scandal that involved SLOC managers and IOC members
- Ø 1999, Mar: Mark Lewis, Vice President of Marketing & Licensing, was hired.
- Ø 1999: Partnership with IMG
- Ø 2000: Donor Program
- Ø 2000: Brick Program
- Ø 2000:SLOC License Plate Program
- Ø 2002: Transition into Sponsor Services Function

5. Games Preparation Phase

5.1 Conception/Planning

Main elements of the conceptual and strategic phase / program's foundation. This chapter covers roughly the period until 4 years before the Games and describes the conceptual and broad planning steps. What were your main activities/projects in this period and what major foundations did you build for the development phase. Use headings which describe each phase and indicate the timing (Games minus year). Needs extensive Program Manager input from the TOK interviews.

Foundation, Games-5 (1997)

Formulation of the foundation of the Sales and Marketing Function.

Creation of an autonomous institution, OPUS, in partnership with USOC, to exploit past experiences and save time and money.

Relationship with Atlanta 1996 sponsors, in order to convince them to continue their experience

Starting phase of the elaboration of the Marketing Plan, in order to submit it to IOC.

Relationship with other Functions to prepare the revenue budget.

Preparation, Games-4 (1998)

Definition of the budget.

Constant interaction with finance to scope needs.

Submission of the Marketing Plan to IOC.

Establishment of Sponsor categories and related features.

Establishment of Sponsor finding criteria.

Strict relationship and control on OPUS.

Analysis of smaller categories, and more targeted approach.

5.2 Development/Implementation

Describe the rapid development of all activities in this phase trying to group them in phases. This chapter deals with the phase of refinements of the concepts to operating plans and the implementation. This phase is characterized by a rapid development in various regards. Make sure that you describe all aspects and how you tackled the projects. Test Events and the planning and preparation of the venue bump-in for example fall in this chapter also. Use headings which describe each phase and indicate the timing (Games minus year). If relevant, please also distinguish between the functional and the venue operations planning. Needs extensive Program Manager input from the TOK interviews.

Research, Games-3 (1999)

Partnership with IMG, to assure SLOC the needed revenue and overcome the damage due to the 1998 scandal.

Research of Sponsors.

Analysis of Sponsor's features, needs and mentality.

Control of the budget and its correspondence to effective needs.

Relationship and control on OPUS and IMG.

Management, Games-2 (2000)

Ongoing research of Sponsors, and related analysis.
Management of acquired Sponsors.
Control of the budget.
Relationship and control on OPUS and IMG.

Reduction, Games-1 (2001)

Reduction of Sales and Marketing Function Activity and staff.
Management of acquired Sponsors.
Preparation to turn into Sponsor Services Function.

Transition, Games time (2002)

Transition to Sponsor Service Function.

5.3 Key Generic Processes

Generic processes and working methodologies. Describe any generic processes or methodologies your program uses. You can use flowcharts or diagrams to illustrate the process. This could include approval processes, working methodologies etc. Some of these methods or processes may be described in some presentation or concept paper.

Partnership with OPUS: control on OPUS sales activity.
Budget determination: continuous relationship with Finance and other Functions, to know needs, distribution of revenue and variations.
Research of potential Sponsors: verification of market characteristics, of companies features and needs, of their ability to pay.
Sponsor analysis: evaluation of VIK opportunities, based on Sponsor assets analysis.
Sponsor assistance: continuous activity of relationship and information with acquired Sponsors.
Initial company presentations: customization of presentation for each organization.
Partnership with IMG: control on IMG sales activity.

6. Games Time Operations

The specific experiences the Sales and Marketing Function has accumulated in the past five years will be extremely useful for the Sponsor Service Function: their knowledge of Sponsor's needs, habits, features has become, year by year, deep and wide.

On the other side Sponsors are reassured to be assisted by the same people they have been in strict relationship for years.

6.1 Operations Planning

Picture of Games time operations as projected pre-games. The main part of this chapter will consist of the concept of operation (to be attached). It would then be interesting just to give a short outline on the key elements of this concept and to fit it in the right context. Concept of operations can be attached in the chapter. However, it should be commented by Program Manager in the interview.

The Operations Planning has been projected indicating the Services to be delivered to the Sponsors for each location:

1. Marketing headquarters: central point for resolution of any Sponsor, Supplier, Licensee or Donor issue; clearing house for tour requests; assist in communicating information out to Sponsors.
2. Main Media Center-Salt Palace: management of issues related to Sponsors with operations at MMC, management of MMC tour requests (in conjunction with Medical Headquarters), resolution of access issues for Sponsors; management of distribution of Sponsor-related press information.
3. Olympic Square/Olympic Medals Plaza: interface with venue development and event operations for Sponsor showcasing; management of fulfillment of Hallmark rights and benefits at OMP; management of Sponsor Hospitality area and Ice Center; liaison between Sponsors and SLOC for all Sponsor showcase operations.
4. Airport Operations: assistance to SLOC's airport operations staff with Sponsor arrivals.
5. Venue Hospitality: management of access, food service and general operations of tent/suite; each location will have dedicated manager.
6. Tours: Sponsors, Suppliers, Licensees and Donors can sign up for tours (first-come, first-served only) at pre-determined times; all requests will be managed by Marketing Headquarters; Sponsor Services to provide tour guides.

Hospitality

SLOC Sponsor Services will operate two Sponsor Hospitality Centers during the 2002 Olympic Winter Games. The *Capitol Club*, located in downtown Salt Lake City, will be located adjacent to the new Gateway development at the center of Olympic Blvd. The *Prospector Club*, the larger of the two hospitality venues, will be located across from Park City Mountain Resort, a short walk from historic Main Street in Park City.

Both centers will feature private suites, and a Sponsor Commons area. The suites are available for lease exclusively to Olympic sponsors & suppliers, and will include a variety of amenities in order to provide a first class hospitality area for their clients and guests.

The Sponsor Commons area will be an indoor facility featuring a number of activities and benefits for sponsor guests during the Games. We are also intending this to be an interactive showcase of products from some of our local suppliers such as Modern Display and Herman Miller/Henriksen Butler Design Group. Here, guests may relax in the TV lounge, where they'll enjoy the excitement of the Games from the big screens, grab a bite to eat at the café, or be invited to dinner at a Celebrity Chef Guest Table. In addition, guests will have access to a business center, which they may use as a satellite office, or buy Games merchandise at a retail outlet.

In addition to the Prospector and Capitol Clubs, we will also operate four Venue Hospitality Centers at Deer Valley Resort, Utah Olympic Park, Snowbasin Ski Area, and Soldier Hollow. These will generally be a scaled down version of the Sponsor Commons, and will consist of a food & beverage service, seating area, and televisions to enjoy Games coverage from while our guests take a break during competition, or rest during weather delays.

Restaurant Associates/Compass will provide the food & beverage services for both the Sponsor & Venue Hospitality Centers. Whether our guests wish to have a formal sit down meal, or a simple buffet style offering, Compass will provide the staff and means for first class service.

6.2 Management of Anticipated Issues

Risk and contingency planning. Which risks did you anticipate for your Games time operations and how did you identify them? „How much“ contingency and flexibility did you include in your plans to cope with eventual issues? Explain financial and operational impacts. In Sydney, almost every department had been educated to conduct a risk evaluation and elaborated risk papers. Maybe SLOC too?

The first big risk Sales and Marketing Function had to face was the inability to secure projected OPUS Partner, Sponsor and Supplier (especially as related to Utah Suppliers) cash and VIK revenue due to pricing, quality of package, effectiveness of OPUS sales effort, or downturn in economy.

It has been solved by a strict relationship between SLOC Sales and Marketing Function and OPUS partners and with specific Capital Programs.

The biggest issues the Sponsor Service Function will have to face are related to Transport: first of all there could be problems with airports (not being able to use international terminal); another risk is related to transportation, that during the Games will grow and become a big challenge; finally there should come generic logistic issues, related to the other two.

6.3 Games Time Operations

Description of Games time experience and lessons learned. This chapter has to be filled in after the Games. It comprises the period from the bump-in to the bump-out after the Paralympics and is dedicated to the Games time experience. What worked well and what did not? Where did you have to adjust initial planning and how did that impact your operations? etc.

Template for Post Games Report SLOC MANAGERS' GAMES EXPERIENCE

This report aims at gathering the Games time experience from all SLOC functions in order to record the lessons learned and to get a complete picture on how operations worked in the different areas. This report will cover the information needs for both, the Official Post Games Report as well as the TOK (this report will be inserted in section 6.3 of the TOK Guides. Please make sure that the other chapters of the TOK are complete to ensure the coherence with this post Games report).

You can use a bullet point style when filling in the chapters below, if the points that you make are self-explaining and easy to understand. However, as some of the information will be directly integrated into the Official Report and you may like a specific wording to be retaken in the report, please write out your sentence(s) in full and put the relevant paragraphs in bold.

The total length of your document should be approximately 5 pages and should not exceed 6 pages. The emphasis should be on chapter III. and IV.

I. Your role and position

I.1 SLOC Author

Name: Don Stirling Position: Managing Director of Marketing and Sales

I.2 Games time function

Please briefly describe your role and responsibilities that you have during the Olympic and Paralympic Games. How does it relate to your pre Games role or to what extent is it different?

My primary role was to be the primary SLOC sponsorship sales interface with Olympic Properties of the United States (OPUS), the United States Olympic Committee (USOC), and the International Olympic Committee, beginning in July of 1997.

Additionally, I oversaw the Salt Lake 2002 Donor Program, with day-to-day assistance from Karen Woodland-Hammond, SLOC Director of Donor Services.

With both programs, the overall and ongoing objective was to generate as much revenue as possible through sponsorship sales and donor contributions.

(See „Final Marketing Report“ attachment, all of which can be used as part of my TOK.)

II. Working Environment at Games Time

II.1 Recap on key statistics, especially Games time

Please quote the main statistics that describe the scope of your program. Especially think of final operational numbers (e.g. n° accreditations, n° of competing athletes, n° of T3 car reservations).

Sponsorship Sales:

The original goal for OPUS was \$806 million, with the cash and VIK proceeds being shared by SLOC and the USOC. Due to the financial demands of funding the Games and the Paralympics, this goal was increased to \$859 million. Ultimately, OPUS raised \$862 million. SLOC's share of the \$862 million. The cash to VIK ratio was approximately \$345 million in cash and \$517 million in VIK.

OPUS operated under the premise that its first responsibility was to provide the adequate revenues to fund the 2002 Olympic Winter Games and the 2002 Paralympic Winter Games. Secondarily, though not a distance second, the goal of OPUS was to raise as much revenue possible for the United States Olympic Teams participating in Nagano (1998), Sydney (2000), Salt Lake City (2002) and Athens (2004).

The goal of generating as much cash as possible always preceded any goals of generating VIK. That said, and in terms of generating VIK revenue, the driving question always was and always is, „Is it budget-relieving?“ The last thing an OCOG wants to deal with after the Games and Paralympics is unused VIK, especially if a cash royalty on that VIK is owed to the IOC. Thus, what drove any VIK efforts was the existence of budget line items in the SLOC budget and the USOC budget.

Our methodology was not unique, but the magic was in the execution. We utilized the following working steps, knowing that the VIK from a particular product category would be budget-relieving to either the Games or the Team, and hopefully both:

- 1. Through research, determine if the Company has „ability to pay“, or, in other words, does it have the financial resources to be an OPUS Sponsor or Supplier, as well as any pertinent information about the company and its current performance*
- 2. Through an exploratory meeting with the Company, determine if the Company has the „desire to play“*
- 3. Through this exploratory meeting, determine what the goals and objectives of the Company are, where it wants to be in 2 years, 5 years, 10 years, and as much information and intelligence as possible about its culture, its past sponsorship experiences, new product launches, and what the Company would look for out of an association with OPUS*
- 4. Do we know anyone that can provide a positive recommendation to the Chairman, President and CEO, or the Chief Marketing Officer about Olympic sponsorship?*
- 5. Once this information has been gathered, the proposal is then crafted and customized for that particular company*

Proposals to Signed Sponsorship Agreements Ratio

Although data was not recorded, it is estimated that for every sponsorship agreement signed, approximately 6-8 proposals were made. For some product categories, there may have only been 4 potential companies. while in others, there may have been 10-12 potential companies.

Donor Program:

At the outset of the Donor Program, the revenue goal was \$25 million. Ultimately, the Donor Program generated in excess of \$55 million in cash and VIK. The cash to VIK ratio was \$40 million in cash and \$15 million in VIK.

II.2 Snapshot of the venue/work area

Give a snapshot of the venue/area you worked in during the Games listing some of its key features. Make sure you mention the elements which are specific to the Salt Lake Games.

Not applicable to the Sponsorship and Donor areas.

II.3 Your Games time team

How many volunteers, SLOC staff and contractors did you have to manage at Games time? Do you feel the number was appropriate and everybody had the right level of training for the job? Please also comment on the structure and the communication among team members.

Don Stirling, Managing Director of Marketing and Sales—reported to Mark Lewis, President of OPUS, and a SLOC Vice President

Don Stirling reports:

*Hannah Hensel-SLOC Manager of Sponsorship Sales; also handled the SLOC License Plate program; took over the SLOC Brick program upon the departure of Jason Horn
Karen Woodland-SLOC Director of Donor Services
Rachel Emery-SLOC Manager of Donor Services
Mishell Kelly-Assistant to Don Stirling/Sponsorship Sales team*

Between 1998 and 2001, the following were also members of the SLOC Sponsorship team:

*Barry McMullin, SLOC Director of Sponsorship Sales
Jason Horn-SLOC Manager of Sponsorship Sales; also handled the SLOC Brick program*

As part of OPUS, there were also members of the USOC who participated in sponsorship sales efforts. Additionally, in 1999, OPUS and IMB entered into a contract agreement to have IMG assist and represent OPUS in sponsorship efforts.

III. Key lessons

Please indicate for each of the following phases (but with special emphasis on Games time) your main general impression as well as the key factors of success and challenges that you had to face. If there is no particular comment to make, because everything went well, please make sure that you explain what were the key elements that ensured the smooth running of the operations.

OPUS faced two primary challenges in its overall sponsorship efforts. First, the „Bid Scandal“ that occurred in November of 1998. Before the Bid Scandal, companies sought out and cultivated sponsorship opportunities with the USOC, SLOC and OPUS. Second, OPUS had to work through the overall economic downturn in 2001. A result of this turndown was that many companies, inside and outside of the Olympic Movement, cut back on sponsorship and hospitality activities.

While OPUS ultimately exceeded its revenue projections, OPUS had to re-tool its efforts to be more „user friendly,“ to be more attuned to the needs of potential company. OPUS had to better fit itself to the needs and objectives of the potential company, rather than force the potential company to fit the OPUS sponsorship model.

Phase 1: Venue preparation/Venuization

What were issues you dealt with concerning the preparation of the venue and/or your operations center? Please also mention particularities about the integration/building of your Games time team/venue team.

Phase 2: Games time

In some cases, it may be helpful to do a separate analysis of certain sub-projects in your function and to describe their respective success factors and challenges (e.g. Transport: Spectator transport, Oly. Family T1-3 systems, traffic control etc.). Please choose a new title for each sub-project where appropriate.

Phase 3: Paralympics

As for the Olympic Games, describe the key lessons of the transition phase and the Paralympic Games.

- 1. Encourage OCOG sponsors to contribute not only to the Games, but the Paralympics as well.*
- 2. Establish the Paralympics rights and benefits model early on in the process, if not at the same time as the Olympic Games rights and benefits model.*
- 3. Establish the television plan for the Paralympics as early as possible. SLOC had not nailed down its television plan until early January of 2002.*
- 4. Establish the venue signage plan for the Paralympics as early as possible.*

IV. Summary/Main conclusions

IV.1 Issue resolution

Overall, what were your main challenges (max. three!) and how did you deal with them? Were there any examples when you quickly had to change all your operational plans and introduce a different solution at Games time? Did you have enough flexibility in your area and the general OCOG structure to adapt appropriately and quickly enough?

IV.2 Conclusion/Recommendations

As a result, what advice would you give to future OCOGs or to the IOC? What are the main observations or messages that you would like to pass on? Please also think about decisions, operational solutions or processes which proved to work really well at Games time and which you would recommend to use again for future Games.

- 1. From a sponsorship standpoint, establish strong working relationships with the IOC as well as the participating NOC.*
- 2. Early on, establish the rights and benefits model for both the Games and Paralympics.*
- 3. Generate as much cash as possible, and only accept VIK that either relieves the budget or increases the cash contribution.*
- 4. Establish strong lines of communication between the sales team and participating OCOG functions, who will benefit from the VIK, as well as with the account management team, which will service the account once the agreement is signed.*
- 5. Include the CEO in the sales process, at the appropriate time, and at the appropriate level. Make sure he or she is one of your best salespersons.*
- 6. In the order of priority, try to fill those product categories that will generate the largest amounts of cash and budget-relieving VIK. These sales will help provide the value chain for all other product categories, and provide much needed cash and VIK early on.*
- 7. Determine early on if it will be more efficient and effective to contract with a vendor to provide a service or product, rather than force a sponsorship deal where the execution will be more trouble than its worth.*
- 8. If there is a decision between talent and chemistry on the team, and while there needs to be a certain base level of talent, lean towards team chemistry. It can make all the difference.*

9. *Establish a Donor-type program, if possible. Individuals want to contribute, and want to be part of the „in crowd“ when the Games arrive. Never underestimate the power of access.*
10. *It is a marathon, not a sprint. The effort needs to be balanced, consistent, and sustained. Never give up, and know that when Opening Ceremonies come, the naysayers disappear. And, the magic will appear, and the air will be different for the 17 days of the Games and the 10 days of the Paralympics. Enjoy the moments along the way, as it will end, and you will miss it.*

7. Recommendations

7.1 Recommendations

Programme Manager's advice on positive and negative experience made during the preparation. What advice would you give to a future OCOG or the IOC? If you had a 2nd chance, what would you have done differently? Make sure you explain the reasoning behind your advice and group related recommendations under meaningful headings. Needs extensive Programme Manager input from the TOK interviews, especially post-Games as well.

- Ø Always remember that the Olympic values are the same things that Sponsors would like people thought about them.
- Ø Never leave the Sponsor alone: take care of him.
- Ø „Less is more“: Sponsors are willing to pay more if there are fewer other Sponsors.
- Ø Know the potential Sponsors: which are the goals? Which are the properties? How much do they care about Sponsor hospitality?
- Ø If you know them you could find new opportunities (for example about possible VIK)
- Ø Exploit the business to business side of Sponsorship: it is the new frontier of sales.
- Ø „Every dollar is critical for an OCOG“.
- Ø There is no time for training: choose people already prepared for this kind of job.
- Ø The Sponsor needs to reflect the image of the OCOG: the Olympic Games are like a brand thy will use together with their own.
- Ø Be careful to find the right balance between cash and VIK: be aware that in general VIK is always overvalued; „VIK services“ take up a lot of the total VIK amount
- Ø Be careful about the evaluation of VIK: problems may rise.
- Ø The budget process was long and painful; it took shape by going on and was changed many times: pay attention to it.
- Ø Under promise and over deliver: Sponsors will be more satisfied.
- Ø Split the categories in many under-categories: you will exploit all the opportunities.
- Ø Be creative in sponsorship deals (Nuskin has a jet plane: we involved it in the sponsorship).

Ø Bring your material planners on board earlier: it helps to scope budget and VIK

8. Supplementary Information

8.1 Paralympics

Involvement and specific activities related to the Paralympic Games. Which Paralympic responsibilities does your department have and how did you collaborate with the Paralympic department? Point out which were the Paralympic specific elements in your preparation in terms of planning resources, operations etc.

Sponsorship Sales had to generate \$ 15 million in cash to help fund the Paralympic games. In order to reach this amount, they prepared a common Sponsor pitch for both Olympic and Paralympic Games. Of the total amount the Sponsor has given SLOC, a little percentage is for the Paralympics: in this way the Sponsor acquires both Olympic and Paralympic Games rights. It would have been much more difficult to sell Olympic and Paralympic Sponsor packages separately.

8.2 Index of Supplementary Material

Supporting material allowing a more detailed insight into key areas. Use this chapter to list all the supporting documents, databases, drawings, videos etc. which, as indispensable pieces of information, relate to this guide. Try to provide a maximum of electronic versions instead of paper. Include also all documents which appear already elsewhere in the guide. Place all relevant files in the attachments folder.

8.2.1 Supporting materials not included in the attachments folder

- Ø SLOC General Concept of Operations
- Ø Marketing Project Plans
- Ø Sales and Sponsorship Project Plans
- Ø Sales and Sponsorship Budgets
- Ø SLOC Organization documents

8.2.2 Supporting files placed in the attachments folder (not listed in other chapters)

8.2.3 Attachment files (listed in previous chapters)

8.3 Additional Information

Any significant information which does not fit into any of the given categories, can be inserted in this section.

For additional information, please contact Don Stirling or Mark Lewis.