The Complete Sponsorship Proposal for Chick-fil-A and the Carolina Hurricanes

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Join Caniac Nation!

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L. J. Yankosky
Director, Sponsorships and Event Marketing
Chick-fil-A, Inc.
5200 Buffington Road
Atlanta, GA 30349-2998

Dear Mr. Yankosky,

The Carolina Hurricanes would like to offer Chick-fil-A an opportunity to become a sponsor with the first and only professional hockey team in North Carolina. The Hurricanes would like to partner with Chick-fil-A to raise brand awareness and create a collaborative relationship with Chick-fil-A. Just as we are dedicated to promoting the Hurricane's brand to the highest standard, so too would we promote Chick-fil-A in our arena and at our events.

Attached is a sponsorship proposal highlighting Chick-fil-A's goals and values, the Hurricanes' goals and values, and how they are both cohesive and closely aligned. Also in the proposal are opportunities for advertising around PNC area including dasher board space, ribbon board time, and concourse signage. Along with signage opportunities comes the opportunity to be a game night sponsor and stage game night giveaways.

The Hurricanes believe that this partnership will not only flourish, but it will be a mutually beneficial relationship that will last for seasons to come. We believe that this will create a positive brand image and appeal to Chick-fil-A's target market.

After an initial meeting with Chick-fil-A and subsequent inventory and research, this proposal has been created exclusively for Chick-fil-A. The Hurricanes believe that this proposal will exceed expectations and meet the needs of Chick-fil-A. We look forward to further discussing a partnership with you and we hope that you will become a member of Caniac Nation.

Sincerely,

The Carolina Hurricanes Sponsorship Staff

Executive Summary

A sponsorship with the Carolina Hurricanes is always a mutually beneficial undertaking. The Carolina Hurricanes sponsorship staff takes pride in ensuring that sponsors are given the attention and care that they deserve. The Chick-fil-A brand has been carefully researched and compared to the values and goals of the Hurricanes' organization. We believe a partnership would not only increase brand awareness, but it would also extend the reach of both organizations to their similar target markets.

The Hurricanes have carefully crafted a proposal that will highlight Chick-fil-A's family-friendly brand image and increase ad exposure to the attendee's at all Hurricane's home games. Signage will placed on the dasher boards, tunnel entranceway, and LED ribbon board for minutes during the game. In addition, intermission features will be played featuring Chick-fil-A video and audio. Chick-fil-A will also be feature as a game night sponsor for a single home game and will be entitled to all rights of the official game night sponsor. Hospitality incentives are also offered to the company. With this sponsorship, Chick-fil-A will gain the rights to season tickets and the benefits of being a season ticket holder.

The total investment for a three year sponsorship with the Carolina Hurricanes comes to a total of $1,205,000 paid out over three years. However the actual value of the sponsorship package is $1,500,000. The value is so great because the exposure and reach that this package will provide. Media exposure will be measured by two separate and established marketing firms, Repucom and Nielsen. In addition, Scarborough Research allows Chick-fil-A to look at the demographics of Hurricanes' attendees over the season and view what percentages are more likely to eat at Chick-fil-A. Finally, a proof of performance, complete with timing and photographs from games will be compiled at the end of the season. The proof will provide all information about how each aspect of the contract was fulfilled.

A sponsorship with the Hurricanes will serve as an investment in Chick-fil-A's brand recognition. Signage and media spots will be created to target Chick-fil-A's target market of families and increase the existing reach of advertising efforts.

Description of Carolina Hurricanes

The Carolina Hurricanes are a Professional ice hockey team located in Raleigh, NC. They are part of the metropolitan division of the eastern conference of the NHL (National Hockey League). They Play all of there home games in the PNC arena which is 18,680 seat arena. The Hurricanes are the only professional team in Raleigh, NC. The Hurricanes were formed in 1971 as the New England Whalers of the world Hockey Association and joined the NHL in 1979 when the NHL-WHA merged. The Team eventually relocated to Raleigh in 1997. The Hurricanes are owned by Peter Karmanos and are currently coached by Bill Peters. The Hurricanes are lead by 12 year veteran and team captain Eric Staal the 2nd overall pick in the 2003 NHL Draft.

History of the Hurricanes

· ***May 6, 1997:*** Peter Karmanos announces that the team will relocate to Raleigh, North Carolina. The team will play in Greensboro, North Carolina for the first two seasons.

· ***October 10, 1997:*** Carolina registers first win with a 2-1 victory over the New Jersey Devils. Steve Leach scores the game-winner.

· ***April 9, 1999:*** Carolina Hurricanes clinch the Southeast Division, marking the team's first division title since 1987.

· ***February 4, 2001:*** Defenseman Sandis Ozolinsh becomes the first Carolina Hurricane to start in an NHL All-Star Game.

· ***April 6, 2003:*** The Hurricanes set a new single-season attendance record, breaking the franchise mark set the previous season. In total, 642,973 fans attend games at the RBC Center during the 2002-03 hockey season.

· ***March 31, 2006:*** Hurricanes win their 48th games of the season to clinch their third Southeast Division title with a 3-2 win against Florida. Carolina would go on to a 52-22-8 overall record, finishing second in the Eastern Conference standings and setting franchise highs for wins and points (112) in a season.

· ***June 19, 2006:*** Justin Williams scores into an empty net with 1:01 remaining in the third period to give Carolina a 3-1 win in Game 7 of the Stanley Cup Finals. The win marks the first Stanley Cup championship in franchise history and the first major professional sports championship in North Carolina. Cam Ward wins the Conn Smythe Trophy as the playoffs' Most Valuable Player.

· ***September 11, 2008:*** Signed center Eric Staal to a seven-year contract extension, which will begin in 2009-10 and run through 2015-16.

· ***April 27, 2013:*** Hurricanes complete the abbreviated 2012-13 season, and set a franchise record for average, per-game attendance (17,560), eclipsing the previous record of 17,387 set during the 2006-07 season.

Description of Event

The Event

If Chick-fil-A were to become a sponsor of the Carolina Hurricanes, they would be advertised at every game. The Hurricanes play approximately 80 games a season,

40 of those being home games held at PNC Arena. These games draw large crowds to the venue. The Hurricanes organization is all about making every event and game family friendly so the attracted crowd is very diverse, with its main target market being upper middle class families.

The Venue

The Carolina Hurricanes are a franchise in the National Hockey League (NHL), based at PNC Arena in Raleigh, North Carolina. Opened in October 1999, PNC Arena is a multi-purpose sports and entertainment arena that hosts more than 150 events and 1.5 million visitors each year. The PNC Arena is home to Carolina Hurricanes of the National Hockey League and North Carolina State University men's basketball program. PNC Arena seats 18,680 for Hurricanes games, 19,772 for college basketball and 20,000 for concerts and family shows. It is owned by the Centennial Authority and Managed by Gale Force Sports and Entertainment.

Over the last nine seasons the Hurricanes have averaged 16,266 fans per game, which equals 87% of building capacity. This equals an average of 666,906 fans who attend per regular season. According to Scarborough Research, there are

approximately 391,000 Carolina Hurricanes fans in the Raleigh DMA. Sixty-two percent of fans are male, fifty-nine percent are married, fifty-three percent have at least one child in their HHLD and seventy-three percent have at least some college education. The average Carolina Hurricanes fan is forty-four years old and has a household income of $88,000.

Carolina Hurricanes Viewer, Attendee, & Listener Profile

Raleigh DMA

	Viewers		Attendees		Listeners	
	Pct	Index	Pct	Index	Pct	Index
Male	61%	128	71%	148	65%	137
Female	39%	74	29%	56	35%	66
White	72%	122	84%	142	77%	131
Black	17%	67	7%	29	17%	64
Asian	3%	157	2%	93	1%	34
Other	3%	65	2%	69	3%	68
Hispanic Origin	5%	56	4%	43	2%	24
At Least Some College	70%	117	76%	128	64%	107
At Least College Grad	37%	133	40%	145	51%	183
Average Age	44		45		46	
Average HHI	$90,000		$93,000		$97,000	
Married	63%	119	56%	105	80%	150
1+ Kids in HH	54%	132	47%	115	46%	112

Chick-fil-A will receive one game night title sponsorship during each Carolina Hurricanes regular season throughout the Term of the Agreement. Chick-fil-A will receive 5 minutes of LED logo exposure on four of the eight upper LED video screens that are located at the top of the video-scoreboard, logo recognition promoting the sponsored game within Hurricanes Watch, the opportunity to have a table on the main concourse to interact with our fans, Chick-fil-A will also have the opportunity to provide a mutually agreed upon giveaway item, which will be distributed to fans as they enter PNC Arena.

During the 2013-2014 season, sixty-three regular season games were televised on Fox Sports Carolinas and eighteen regular season games were televised on SportSouth. Carolina Hurricanes hockey has a total distribution of over 7,000,000 homes within our regional television market including the states of North Carolina, South Carolina, Georgia and twenty-four counties in Alabama. During the 2013-2014 season all eighty-one regular season telecasts were televised throughout the state of North Carolina, seventy-one of the eighty-one regular season telecasts were televised throughout the states of North Carolina and South Carolina and forty-six of the eighty-one regular season telecasts were televised throughout the states of North Carolina, South Carolina, Georgia and twenty-four counties in Alabama.

Company's Success

On an annual basis, PNC Arena welcomes over 1.5 million guests and plays host to more than 150 events including major concert tours, and family shows. Not only does PNC Arena hold successful games for the Carolina Hurricanes by having 87% of the arena filled but they hold many other successful events as well. PNC Arena is the home of the North Carolina State University Men's basketball team and those games pack the arena as well as providing an exciting experience for the fans. The student section of the NCSU men's basketball games is the most wild and entertaining section in the arena, and the hardest section to get tickets for.

Outside of sporting events, PNC Arena is a hotspot for concerts and shows

hosting guests such as Kenny Chesney,

Kevin Hart, Sam Smith, Eric Church, Ringling Bros and Barnum and Bailey productions and many more. The calendar for PNC arena is constantly booked with a wide variety of events.

Description of Chick-fil-A

Chick-fil-A is an American fast food restaurant headquartered in College Park, Georgia (suburb of Atlanta). Chick-fil-A specializes in chicken sandwiches. In 1961, after 15 years in the fast food business, Cathy found a pressure-fryer that could cook the chicken sandwich in the same amount of time it took to cook a fast-food hamburger. Following this discovery, he registered the name Chick-fil-A, Inc. The company's current trademarked slogan, "We Didn't Invent the Chicken, Just the Chicken Sandwich," It is a private restaurant founded in 1946 formally known as the Dwarf Grill. The Chick-fil-A has more than 1,850 restaurants in 41 US states and the District of Columbia.

S. Truett Cathy who has influenced and ingrained Southern Baptist beliefs into the restaurants founded the

company. All restaurants are closed on Sundays due to their Southern Baptist beliefs that all customers and employees should be with their families.

History of Chick-fil-A

- March 14, 1921 Cathy S. Truett is born.
- 1964 Truett Invents the chicken sandwich.
- 1967 First Chick-fil-A in mall restaurant Greenbriar Mall Atlanta.
- 1982 introduce the Chicken Nuggets.
- 1982 Open corporate office Headquarters in Southwest Atlanta.
- 1985 Potato Fries Introduced.
- 1986 Chicken biscuit introduced as first breakfast item.
- 1989 Chargrilled chicken sandwich introduced.
- 2000 surpasses $1 billion in system wide sales.
- 2004 Introduce and enhanced breakfast menu, famous Chicken Mini's as well as the breakfast burrito and chicken, egg and cheese bagel.
- 2010 Introduce the Spicy Chicken Sandwich.
- 2010 Opens it 1,5005h location in Los Angeles.
- 2014 Reaches $5 Billion in system wide sales.

<u>Brand Compatibility</u>

Organization Comparison

Both companies are very similar in that their values very closely align. Both the Carolina Hurricanes and Chick-fil-A strive to create an atmosphere in which families are able to enjoy their time spent together. Both organizations strive to maintain the highest level of customer service with their consumers. In addition both organizations are actively involved in giving back to the community and working to build better youth and family enrichment in the area.

Family Focused

Because both the Carolina Hurricanes and Chick-fil-A target middle class families, both organizations are centered on creating a positive family environment. Chick-fil-A takes pride in maintaining clean stores that are always equipped to meet the needs of families. Every store provides kid friendly playgrounds and activities. In the same way, the Carolina Hurricanes strive to create an environment that is fun and entertaining for the whole family.

Community Enrichment

Chick-fil-A is actively involved in giving back to the community through college scholarships for restaurant team members, donations to support disadvantaged youth, and programs to support foster homes and children. In the same way, the Carolina Hurricanes support local youth through the Kids ’N Community

Foundation. The Hurricanes are able to raise millions of dollars to support disadvantaged children in the community. The importance of giving back will serve to strengthen this partnership and create positive PR and strengthen the brand image.

Target Market

Ultimately this partnership will be mutually beneficial because of the target markets of each company. The Carolina Hurricanes look to target upper middle class families and Chick-fil-A hope to attract families, as well. This collaboration will allow both companies maximum exposure with their desired target market. In addition, Hurricanes fans reportedly consume more Chick-fil-A than the average person. A sponsorship with the Hurricanes will allow Chick-fil-A additional reach with this highly coveted demographic.

Benefits: What We Are Prepared to Offer

ARENA OPPORTUNITIES

Dasher boards

Chick-fil-A will receive two (2) 40 2’ 6” high by 10’ 6” wide dasher board signs that are camera visible for all Carolina Hurricanes regular season home games played at PNC Arena throughout the Term of the Agreement.

On average, the 6 pairs of dasher board signs with two camera visible positions are visible on television 382 impressions per game, which is the equivalent of over 23 minutes of exposure per game in both the Hurricanes’ regional television market and the opponents’ regional television market. A television impression happens when at least 80% of the logo is visible. Dasher board advertisements also provide great exposure within the arena.

Tunnel Signs

Chick-fil-A will receive one (1) 2’ 6” high by 15’ wide backlit sign located above one of the four tunnels that leads from the arena floor to the locker room/backstage areas. This sign is visible for all Carolina Hurricanes hockey games, North Carolina State University men’s basketball games and most concerts and family shows.

This sign is also visible in the Hurricanes' television market and the opponents' television market.

Primary LED

Chick-fil-A will receive three (3) minutes per game (one (1) minute per period) of LED branding exposure on the Club level fascia LED ribbon board and the middle LED ring on the center-hung video-scoreboard structure, for all Carolina Hurricanes regular season home games played at PNC Arena.

The Club Level fascia LED ribbon board and the middle LED ring operate simultaneously and provide a visibility of 360 degrees throughout PNC Arena.

Intermission Features

Intermission video board features are self-contained, pre-produced video content pieces up to two (2) minutes long that are played during one of two in-game intermissions.

During the video board intermission feature (to be mutually agreed upon), Chick-fil-A will receive audio recognition plus logo recognition on four (4) of the eight (8) upper LED boards and on the middle LED ring of the video board as well as on the Club Level fascia LED ribbon board during all Carolina Hurricanes regular season home games played at PNC Arena and throughout the Term of the Agreement.

Game Night Sponsor

Chick-fil-A will receive one (1) game night title sponsorship during each Carolina Hurricanes regular season throughout the Term of the Agreement. Chick-fil-A will receive:

- 5 minutes of logo exposure on four (4) of the eight (8) upper LED video screens that are located at the top of the video board.
- Logo recognition promoting the sponsored game within Hurricanes Watch (Hurricanes newsletter).
- The option to have a table on the main concourse to interact with fans in attendance (with/without a promotional item provided by the Hurricanes to be raffled off at the sponsor's table).
- Chick-fil-A will also have the opportunity to provide a mutually agreed upon giveaway item, which will be distributed to fans as they enter the PNC Arena for the game.

Logo Rights

Chick-fil-A will have the rights to use the Carolina Hurricanes logo and marks, subject to team approval in each instance, within the Hurricanes local marketing territory as defined by the National Hockey League.

MEDIA AND DIGITAL

Television Commercials

Chick-fil-A will receive two (2) thirty (:30) second television commercials during each Carolina Hurricanes regular season telecasts throughout the Term of the Agreement on the Hurricanes television rights holder, currently FOX Sports Carolinas (FS Carolinas).

Television Billboards

Chick-fil-A will receive one (1) television billboard, which includes audio recognition and logo recognition, during each Carolina Hurricanes regular season telecast on FS Carolinas.

Bonus Spots

Chick-fil-A will receive free bonus telecast spots (to be decided on by the Carolina Hurricanes Client Services Coordinator) ranging from fifteen (:15) to thirty (:30) seconds of television exposure.

HOSPITALITY

Season Tickets

Chick-fil-A will receive four (4) Sideline Premier tickets and one (1) Premier parking pass for all Carolina Hurricanes preseason and regular season home games played at PNC Arena throughout the Term of the Agreement.

Season Ticket Holders receive numerous benefits including the following:

- Complimentary Ticket Vouchers
- Ticket Exchange Program
- Playoff Priority
- Flexible Payment Plans
- Private Events
- Presales and more!

For a complete list of Season Ticket Holder benefits, skate over to: http://hurricanes.c1ms.com/2015/

**Please visit http://hurricanes.platform.sportsdigita.com/v/5507344e48ff405b0e369993

for the complete Digideck Chick-fil-A Corporate Sponsorship Proposal created by Marie Bobalik, Client Services Coordinator for the Carolina Hurricanes, with the help of one of our team members. Much of the language used in the Digideck presentation was kept in the written proposal to maintain accuracy, professionalism and legality of the potential agreement.**

INVESTMENT SUMMARY

2015-2016: $395,000 NET

2016-2017: $405,000 NET

2017-2018: $415,000 NET

Chick-fil-A will be invoiced for ten (10) months from August 1 through May 1 throughout the Term of the Agreement.

TOTAL PACKAGE VALUE: $1,500,000

ACTUAL SPONSORSHIP INVESTMENT: $1,205,000

MEASURABILITY: HOW WILL YOU KNOW IF THIS AGREEMENT IS BENEFICIAL OR NOT?

Measuring Media Exposure

- **Repucom**: Repucom's primary goal is to help clients "maximise their commercial success". Clients are able to use their commercial auditing and media evaluation functions to monitor the success of their sponsorship. Chick-fil-A will be able to view the number of impressions they received (dasherboards, tunnel sign).
- **Nielsen**: Nielsen is a globally engaged information management company. It provides relevant data of what people listen to, watch and buy. Chick-fil-A will be able to view TV ratings through Nielsen.

Measuring Increased Product Sales

- **Scarborough Research:** Scarborough allows Chick-fil-A to view what percentage of Carolina Hurricanes fans are more likely to eat at Chick-fil-A. When each season begins throughout the Term of the Agreement, the Carolina Hurricanes and Chick-fil-A can measure the increase in that percentage.

Proof of Performance

- **Excel Affidavits**: At the end of each regular season throughout the Term of the Agreement, the Carolina Hurricanes will provide Chick-fil-A with affidavits completed in Excel. Each affidavit will provide specific times per game when each

television spot, LED ribbon, billboard, etc., was fulfilled. This will serve as proof of performance along with various images taken in-game throughout the season.