



SPONSORSHIP AND FUNDRAISING

1.0 SPONSORSHIP MEANS BUSINESS

1.1 Soul for Sale

Contrary to popular belief sponsorship is not a gift. A sponsorship is a BUSINESS AGREEMENT which benefits both parties. Financial assistance without expectation of return of the part of a donor is PATRONAGE or TRUST or DONATION. Sponsorship on the other hand is an agreement where services, products, discounts or money is offered in return for promotion (generally) for the sponsor.

Melbourne University Sport actively seeks to attract large corporate sponsorship deals with suppliers of major goods and services which may be of great value to the University sporting community and which may reduce the individuals cost to play. Major sponsorships for products such as uniforms, medical supplies and minor equipment are currently being pursued.

Therefore it is important for the university sporting community to ensure that the process of seeking sponsorships at club or corporate level is consistent, cohesive and well planned ensuring that at all times the integrity of the Melbourne University Sport brand is not compromised. It is doubly important that existing club sponsors are not put off through 'Ambush marketing' or by the signing of competitor sponsors! All sponsorship arrangements, regardless of whether its value or size, that are entered into by any member of the Melbourne University Sporting community is valued and all sponsors should be respected for the contribution that they make.

The purpose of this 'Guide to Sponsorship & Fundraising' is to provide the Melbourne University Sport community with a framework that gives an idea of the processes involved in successfully attracting and retaining sponsorship relationships. The purpose of this guide is not to restrict the ability of clubs to source sponsorship deals but to ensure that any approaches are conducted in a professional manner and reflect the corporate good as well as the individual clubs need.

If any affiliated Club is in doubt about how the framework is implemented then contact should be made with the Melbourne University Sport Business Development Manager.

1.2 GUIDELINES

The Melbourne University Sports Association sponsorship guidelines are currently in the process of being formalised into policy. All clubs seeking sponsorship are expected to adhere to these guidelines when considering approaching potential sponsors.

The guidelines include;

- Clubs have the authority to seek and negotiate sponsorship within these prescribed guidelines. They do not have the authority to offer the name of the University or Sports Association or Melbourne University Sport for use by a sponsor. Sponsorship advertising may contain the words "Melbourne University (Sport) Club" as long as there is no suggestion that the sponsor or its product is supported, endorsed or approved by the Sports Association or University.
- Sponsorship by tobacco products is prohibited due to health legislation, community attitudes, Australian University Sport policy and the University's ban on smoking in all buildings.
- Sponsorship by breweries, wineries and distilleries is discouraged by the Sports Association due to community attitudes, AUSF policy, health considerations and the link between misbehaviour by sporting groups and over consumption of alcohol.
- No racist, sexist, or in any other way offensive material is to be printed on T-shirts, posters or other promotional materials associated with the club which may attract criticism or diminish the reputation of the Sports Association or University in any way.
- Clubs have no authority to enter into contracts or give undertakings which place an obligation upon the Sports Association, or offer the use of Melbourne University Sport facilities, or give the sponsor any control over the affairs of the club. A Sponsors Register, identifying the sponsor and valuing in-kind and cash based arrangements, will be maintained and updated at least once annually by Melbourne University Sport. This register will be used as an information guide to prevent clubs approaching the same potential sponsor individually and to identify sponsor affiliations with Clubs.
- Clubs intending to enter into any sponsorship proposal which links, both directly and/or indirectly, Melbourne University Sport to the sponsor and /or where potential contravention of the any of the above guidelines must be approved by the Director Sport & Physical Recreation before any

agreement is entered into. Examples where prior approval is required include but is not limited to:

- (i) a sponsors name/brand being posted on a clubs uniform, web site, display signage, promotional items and stationery,
- (ii) where the potential sponsor is already affiliated to another MUSA sports club or is corporate sponsor,
- (iii) where the potential sponsor may directly compete with a corporate sponsor either at Melbourne University Sport or Australian University sport level.

1.3 The How's & Who's of Sponsorship

The days of 'bottomless' sponsorship pockets has long gone. Sponsors now are much more discerning and are really looking at the 'What's In It For Me' (WIIFM) factor. Nowadays Sponsors sponsor to;

- To give the company name exposure to target market audiences.
- Enhance the image of the company/service/product.
- Direct increase in customer base and sales.

By keeping these points in mind when preparing a proposal, you are likely to outline the maximum benefit to your potential sponsor. Of course there are also a few philanthropists who might still have some affinity to Melbourne University but GST might reduce that avenue.

The best way to IMPROVE YOUR CHANCES of getting sponsorship support is by doing your homework and considering the following pointers;

- Ensure that the company image/product/service does not clash with current sponsors of another club or Melbourne University Sport by checking the Sponsors Register and the Guidelines document. Know what your club can offer and what it can't without prior approval.
- Choose companies in keeping with you clubs activities or the target market available to them through the University link.
- Plan ahead. Give sponsors plenty of time to consider and discuss your proposal. Many companies allocate their sponsorship monies before the beginning of the year, so if you approach them in February or March you may have missed the boat.
- Prepare a written proposal which is professional, eye catching and not too long-winded. Get to the point quickly and don't forget the WIIFM. Contact the Melbourne University Sport team if you need help with developing a

Sponsors proposal. Make sure that you find out the name and title of the person you should send your proposal too.

- Plan when you will follow up personally on your proposal and do it.

1.4 WHO IS YOUR COMPETITION?

Remember that your club is one among many ways a company can decide to spend its public relation/promotions budget. There is stiff competition out there and you are wise to give it due consideration when preparing your proposal.

- Newspaper advertising
- TV Commercials
- Other clubs of similar nature
- Point of sale promotions
- Existing sponsorships

1.5 PREPARING A PROPOSAL.

Your objective is to secure a meeting with your potential sponsor where you can both discuss the details of your proposal and the various benefits available to both parties.

When putting it in writing, be brief and to the point. Make the document easy to read and professional. Remember also that sponsorship can come in many forms including products, discounts and services. Your club may benefit more from the services or products a company can offer than from a pure cash exchange. Note that in the brave new post GST world Sponsorships, both cash and in-kind are deemed GST applicable. Its not likely that companies will give up any chance of a GST credit

The In: Opening –Don't forget that Melbourne University Sport can help your club put together an ultra professional proposal. The following pointers are things that the Club needs to consider in the opening gambit;

- Date the covering letter and proposal
- Who the proposal is from - including a name and contact telephone number in case there are any queries.
- To whom the proposal is addressed, full name and title. Ring ahead to confirm spelling.
- Briefly introduce the club and it's affiliation with the Melbourne University Sports Association. Present a positive image of the club and outline how the company can benefit from an association with it.

The Skinny: Background

- Give brief statistical details of the club, - size, membership, age, income, location etc.
- Give brief examples of successful club activities and services

- Benefits - What We Offer
- What can you offer a sponsor. Consider publicity, discounts, media coverage, and opportunities for product or services sale.
- Show how the company's image can be enhanced through being associated with your club, e.g. advertising, acknowledgements, slogans, and awards.

The Rub: What We Want

Be reasonable when determining a realistic sponsorship 'price' in return for the benefits you are offering. Make sure you consider:

- Amount and type of sponsor exposure.
- Audience potential to sponsor. Who and how many can you market to.
- Compatibility of sponsor and club activities.
- Potential for sponsor to increase customer base or/and public image.
- Size of sponsor's PR budget and current promotional commitments they may have
- Opportunities for sponsor to extend their exposure in the future.

Keep in mind that many sponsors these days are looking for longer-term sponsorship deals where they can gain support for 2 - 3 years. Remember also that if you do not deliver what you promise, you will have blown your reputation (& that of Melbourne University Sport) and your club's chances at future sponsorship.

The Shake: Meeting to seal the deal.

To secure a sponsorship, nothing can replace the personal touch of a presentation by your club to the company. It is important to remember that the people you approach are dealing with clubs and organisations requesting money every day. If you are trying to scam them they will pick it immediately. If you know your club, believe in what you are offering, your genuine interest and sincerity will be convincing. Once you have a meeting date the most important thing is GET THE RIGHT PERSON TO DO IT!

No matter how great an administrator you may be, you may not feel confident in your ability to sell your club convincingly. Find someone in your club who can do the job and do it well. Make sure they are involved in the whole process of preparing a proposal and are well prepared for presenting the interest of your club in a dynamic way. Don't forget to dress for the occasion.

1.5 KER-JING-A-LING: CASHOLA!

Looking after the chickens when the eggs have hatched.

Congratulations! You got your sponsor/s. However, don't take the money and run. (No, really; it looks incredibly bad). Secure your future with your sponsor and LOOK AFTER THEM. Make sure you deliver everything you

promises. Keep your sponsor involved and informed of all your clubs activities.

Someone in your club should have the job of giving your sponsors the VIP treatment and ensuring that the club delivers everything it has promised.

Do

- Show them you value them. Send copies of all (approved) promotional material containing their logo/name.
- Ask their advice. They may have valuable contacts and business expertise which will benefit the club during the planning process.
- Give them tickets to your sporting, recreational and social events.
- Send copies of newsletters, advertising and promotional material.
- Keep a scrapbook or log of what support you offer the sponsor during the year for future reference.

Don't

- Ignore your sponsor and the commitment your club has made to them.
- Forget to include their logo name on promotional material.
- Forget to acknowledge your sponsor at club events.
- Take the money and run.
- Expect them to be happy to give again next year if you haven't looked after them.

Give them Spotlight Support

Your job is to show that the club is honoring the agreement it has made. A sponsor who sees that your club is providing for their needs (i.e. exposure of company name, enhancing the company image and improving product sales) will continue to support your club in the future. These opportunities include (subject in most cases to Melbourne University sport approval):

- Offer ground/venue advertising.
- Display sponsors name on uniforms, clothing, club equipment etc.
- Include sponsors logo on club stationery items, e.g. with a well-designed stamp.
- Offer the sponsor opportunities to market products/services at club level.
- Include sponsors name on trophies and promotional material, (e.g. entry forms, tickets etc.)
- Encourage club members to support your sponsors business.
- Acknowledge your sponsors support via announcements at club events and prominently display their name.
- Allow the sponsor to use club photos for product promotion and advertising
- Guarantee the sponsor that no photo of any club member will go to the media unless the sponsor's logo is featured.
- Offer the assistance of the club to sponsor for their promotional activities.

1.6 CONTACT'S END

Please Insert More Coin

It is important to say thank you at the conclusion of a sponsored project. Being a business agreement, both parties may wish to evaluate the value they have gained from their association and decide whether they wish to continue it. If either party feels that the agreement was not of great benefit you may want to see if there is more to offer or perhaps conclude the association at this time. No matter which way you decide to go, it is important to say thank you.

- Write a thank you letter. Offer praise to particular individuals within the company who may have provided lots of advice or assistance. Ask them if they were satisfied with the level of service the club provided to them.
- Acknowledge the sponsors assistance at your end of year function and send them a ticket.
- Ask specific club members to write thank you notes, especially if they have personally gained in some way.

2.0 FUNDRAISING

2.1 For Fun -and most definitely Profit

Fundraising is essential to the survival of a number Melbourne University Sports Association clubs. Without it they cannot purchase equipment, offer cheap training or run cheap Christmas functions for their club.

Fundraising efforts are most effective when activities are geared toward raising money for a specific purpose. This is where the PLANNING comes in.

Plan ahead and stuff.

- List what you will need extra cash for during the year. (Include purchases, Inter-university competitions, uniforms etc.)
- Research the costs of each item.
- Work out how much money you need to raise for each item. Remember you can apply for assistance from Melbourne University Sport for certain items.
- Set goals on a monthly/quarterly basis, i.e. We want to raise \$500 by June.
- Plan fundraising activities which will help you realistically reach these goals. Remember to take into account any costs incurred by the activity itself.
- Assign implementation actions to committee and club members and ensure that they are carried out.

- Every club should produce a planned budget for their fundraising activities during the year which should be submitted to the Sport Development Manager for consideration and in some cases approval to proceed. Melbourne University sport needs to know about who and how clubs are fundraising as they might be able to help or co-ordinate fundraising opportunities eg ensuring not everyone sells the same chocolates at the same time, even the Director gets sick of M & Ms eventually!
- Monitor the success of your fundraising efforts.

2.2 No! I don't want to buy your bloody chocolates

It can be difficult, but if you put your mind to it, you can come up with at least a dozen different ways to tell someone selling chocolates or raffle tickets to p### off.

To say that, the ways to raise funds are really only limited by the imagination is to take the supremely optimistic view of projects that will see you snowed-under with work, and punched in the nose for being so keen about it.

The key considerations are:

- How much work will I have to do, and convince other to volunteer to do?
- How much money will the club have to risk to get it going?
- What's the likely net reward?

Consult people who've run similar events. Press them for the real figure they raised, and real amount of work and initial money they outlaid; nobody likes to appear to have failed.

Treat tales of organisation that "raise a bloody fortune, and all they did was organise a ball with a bit of food and grog", with a grain of salt.

Hold them there urban myths up to the light that is the set of key considerations, above.

2.3 Some ideas and their problems

2.3.1 a Auctions: the pitch

There are a whole range of options here, depending on how much time and assistance you have. Mystery Auction where you auction off mystery packages. The key to success here is to advertise some attractive prizes, (e.g. Mystery flight, watch, music vouchers) which you get through purchase or donation. A Dutch Auction is where you canvas local shops and club contacts for items they can donate and you then auction. Another common option is the slave auction where people are raffled off for the night. All you need here are willing and wanted participants. You can also hire a professional auctioneer to make proceedings more interesting.

2.3.1 b Auctions: the reality

You're probably a student. Your club's probably full of students. Who do you know? Mostly students.

How are you going to get money out of students on the scale required to justify an auction? With the same time and effort it cost you to get product out of all those sponsors, you could have been playing the percentages and pitching for the year's sponsorship..

2.3.2 a Film Night: the pitch

Most cinemas offer cheap, bulk purchase tickets which you can then sell off at a high cost to your members. Some cinemas will offer catering or they may allow you to do your own light supper or luncheon.

2.3.2 b Film Night: the reality

Margins are tight, meaning you have to sell a mountain of tickets to justify the support of those who do buy tickets (they'll only support you a finite amount of times), but that's okay, because often cinema chains have high minimum numbers they'll sell you, meaning greater financial exposure for your club. Then get consensus on the films.

2.3.3 a Cocktail Party/Social Night: the pitch

Get a deal happening with the local nightclub or hotel. Many clubs will offer you 4 cocktails and beer, wine and soft drinks for around \$20/head. You can then sell tickets to members and non-members to raise funds.

2.3.3 b Cocktail Party/Social Night: the reality

For this to work you basically need excellent promotion. Make sure your terms with the licensee are clear, written down, and signed by them. Pre-sell tickets to ensure turnout, and to give you an idea beforehand of success. When negotiating with the venue, be mindful of the business you're bringing them.

2.3.4 a Car Rally: the pitch

Entry fee per car is charged and attractive prizes available to winners. Usually a lot of fun if you get the participation. Again, promo is the key.

2.3.4 b Car Rally: the reality

Hellish to set up. Kind of wend the way of Trivial Pursuit Nights, but stand by for the retro-value resurgence. The time;revenue ration is not usually too good.

2.3.5 Other options

a) X-a-thons

Walkathon, Readathon, Car Washathon, Aluminium can collection and so on.

Again, check out the time:revenue ratio.

b) Stall Sales

Homemade produces, jumble sales, furniture. The Student Union runs a sporadic market on Melbourne University campus.

c) Merchandise

T-shirts, caps, windcheaters, calendars.

Merchandise has ramifications outlined in the Marketing Module, being a visual representation of your club, Melbourne University Sport, and the University.

Minimum runs of 50 usually apply for clothing of any worth, and aims of providing a shirts that will fundraise, act as a members' shirt, and give the club profile, can conflict. Be clear on what you're trying to do. Check out the Marketing Module.

d) Raffle

As long as your total prize value does not exceed \$5,000, you don't need a permit. Speak to the Sport Development Manager for specific regulations relating to raffles and gaming activities. If you can get the prizes donated, it means you make a lot more money.

e) Donations

Small value goods and services are good to pursue. Things like 2 for 1 vouchers, dinners for two, drink cards, free equipment hire. You can use them as give aways or spot prizes during a social function or raffle them.

f) Grants and Subsidies

Government departments at all levels may assist club groups for specific sporting purchases, such as Safety Gear, gender equity/junior programs-although most of it is \$:\$ based.

2.4 IN SUMMARY

Be Keen, Not Stoopid

Be imaginative in your fundraising ideas.

- Critically evaluate the amount you are likely to skim, and compare it to your financial exposure in running the vent, and time and effort it takes to run it.
- Use reliable testimony from people who've run similar events in other clubs to gauge whether you want to embark on this journey into fundraising land.
- Give yourself plenty of time to prepare, get everything you need, and also give Melbourne University Sport plenty of notice if you need their help..

GOOD LUCK