



MerleFest

WELCOME PICKERS & FANS



MerleFest

WINSTON SALEM
JOURNAL
the source

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Taylor
GUITARS

Bluegrass
COM

94.7 QDR

Tyson

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Improving Home Improvement

GB
GUITAR BROS

glsstrings
The String Specialist

bluegrasscountry.org

Homespun
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WNCW 88.7

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BURGER KING

WUNC
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WESTERN BEAT ENTERTAINMENT

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The Americana Music Celebration

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COLLEGE

Section I

Getting Started with Event Sponsorship

Take Away Item

Even for non-profits, event sponsorships are business deals, not donations.

GM Sales Promotion Tool Box

- Events
- Sponsorships
- Cross Promotions
- Auto Shows
- Test Drive Events
- Sweepstakes
- Direct Marketing
- Dealer Incentive Programs
- Cause-related Programs
- Lead Generation Programs
- Hospitality

GM Event Marketing Overview

- Event marketing plays a key role in marketing mix because it touches the consumer on a much deeper level compared to other forms of communication
 - Events perceived as hybrid internet/dealer visit vs. traditional communication
 - Complements and adds to other elements of the marketing mix, particularly advertising (synergy)
- Event marketing's power is in providing an interactive product experience
 - Seeing, touching, feeling, smelling -- prerequisite to serious consideration or purchase intention

Take Away Item

Focusing on solutions to business marketing problems rather than features or the content of the opportunity is essential for non-sports properties

The Essence of Image Matching

- “Sponsorship can be very effective at extending brands beyond tangible attributes because they develop associations that add depth, richness, and a contemporary feel to the brand and its relationship with customers”
 - Aaker & Joachimsthaler, 2000, p.203

- “A brand can be like a badge that lends you a certain identity.” Daryl Travis in Emotional Branding
- Sponsorship should be used to reinforce or create that badge...to build that relationship

- “The power of sponsorship comes from creating a genuine, longstanding connection between the brand and the fans and that’s accomplished by consistency”
 - Frank Vuouno of 16W

Take Away Item

Sponsorship demands data.

Sponsor Objectives

A recent IEG study of sponsors revealed the following hierarchy of sponsor objectives:

Increase brand loyalty	75%
Create awareness	75%
Develop image	66%
Showcase community/social responsibility	44%
Drive retail traffic	43%
On site trials	40%
Showcase products	38%
Capture leads/build database	36%
Entertain clients	29%

The same survey called for sponsors to evaluate benefits in achieving these ends

Category exclusivity	69%
Signage	62%
Broadcast ad opportunities	56%
ID on media buys	53%
Title of proprietary area	46%
Title of collateral materials	44%
Ad in program	40%
Access to sponsee mailing list	39%
Presence on web site	38%
Access to research	37%
Right to use property trademarks	35%
Tickets and hospitality	30%

**And the survey asked which factors
sponsors analyzed in making decisions**

Demographics	88%
Attendance	67%
Fan passion	61%
Psychographics	52%
TV Ratings	41%
What competitors sponsor	30%

What Verizon Wants

- Personal connection/national reach
- Sponsorships first step, leveraging key
- Year-round presence
- Brand/ownership position
- Deliver measurable results

Verizon Communications

- Initial Corporate Goals
 - Brand new name and logo
 - Showcase products
 - Maintain strong community relations
 - Drive business

Verizon Sponsorship Criteria

- Ownership/branding
- Year-round exposure
- National and global positioning
- Revenue Generation
- Community relations

Sponsorship Strategy

- Key to Verizon's success:
 - Budget sponsorship & activation
 - Activities reach into communities
 - Extend throughout the year
 - Generate Revenue

Section II

Identifying and Pricing Assets

Properties

- Title or presenting sponsorships
- festival program books, web site, and electronic newsletters
- services such as lost & found
- raffles and auctions
- title sponsorships of stages and specific events,
- official partners

Benefits and Features

- ❑ exhibit space on site, pouring and vending rights
- ❑ web site promotions
- ❑ Category exclusivity
- ❑ right of first refusal
- ❑ Advertising in festival publications
- ❑ inclusion in advertising and promotional mailings, and banner placements.
- ❑ Signage
- ❑ Special access and parking
- ❑ Logos on tickets, wristbands, or shirts

Q2_A: Please rate the following aspects of being a sponsor in order from most (1st) to least (7th) importance to your experience:

		1	2	3	4	5	6	7	Total
Limited side stage seating	Count	13	7	7	2	6	9	9	53
	% by Row	24.5%	13.2%	13.2%	3.8%	11.3%	17.0%	17.0%	100.0%
Meals	Count	15	7	4	10	3	5	9	53
	% by Row	28.3%	13.2%	7.5%	18.9%	5.7%	9.4%	17.0%	100.0%
Access to backstage at Watson Stage	Count	16	6	6	3	3	3	15	52
	% by Row	30.8%	11.5%	11.5%	5.8%	5.8%	5.8%	28.8%	100.0%
Access to VIP area between Cabin Stage and MerleFest Mall	Count	14	5	3	3	6	6	16	53
	% by Row	26.4%	9.4%	5.7%	5.7%	11.3%	11.3%	30.2%	100.0%
On campus parking	Count	25	6	0	2	1	1	18	53
	% by Row	47.2%	11.3%	0.0%	3.8%	1.9%	1.9%	34.0%	100.0%
Backstage restrooms	Count	17	7	6	4	3	6	10	53
	% by Row	32.1%	13.2%	11.3%	7.5%	5.7%	11.3%	18.9%	100.0%
VIP area restrooms	Count	13	5	6	6	3	6	12	51
	% by Row	25.5%	9.8%	11.8%	11.8%	5.9%	11.8%	23.5%	100.0%
Access to talent	Count	20	6	2	5	6	1	13	53
	% by Row	37.7%	11.3%	3.8%	9.4%	11.3%	1.9%	24.5%	100.0%
On site display/sales/sampling	Count	23	4	4	2	3	1	15	52
	% by Row	44.2%	7.7%	7.7%	3.8%	5.8%	1.9%	28.8%	100.0%
Title to a festival component	Count	17	5	2	6	6	4	9	49
	% by Row	34.7%	10.2%	4.1%	12.2%	12.2%	8.2%	18.4%	100.0%
Ad in Festival program	Count	19	8	3	3	4	4	11	52
	% by Row	36.5%	15.4%	5.8%	5.8%	7.7%	7.7%	21.2%	100.0%
MC announcements	Count	20	6	6	6	5	5	5	53
	% by Row	37.7%	11.3%	11.3%	11.3%	9.4%	9.4%	9.4%	100.0%
Logo & link on MerleFest web site	Count	23	5	3	2	5	7	8	53
	% by Row	43.4%	9.4%	5.7%	3.8%	9.4%	13.2%	15.1%	100.0%
Access to research	Count	11	12	5	5	5	5	10	53
	% by Row	20.8%	22.6%	9.4%	9.4%	9.4%	9.4%	18.9%	100.0%
On site signage	Count	22	3	6	3	3	4	12	53
	% by Row	41.5%	5.7%	11.3%	5.7%	5.7%	7.5%	22.6%	100.0%
Parking considerations	Count	21	7	3	2	2	3	13	51
	% by Row	41.2%	13.7%	5.9%	3.9%	3.9%	5.9%	25.5%	100.0%
Category exclusivity, if applicable	Count	13	3	5	10	4	0	6	41
	% by Row	31.7%	7.3%	12.2%	24.4%	9.8%	0.0%	14.6%	100.0%
Inclusion in press releases, if applicable	Count	16	10	6	3	2	1	6	44
	% by Row	36.4%	22.7%	13.6%	6.8%	4.5%	2.3%	13.6%	100.0%
Use of marks and logo	Count	14	7	4	6	5	3	8	47
	% by Row	29.8%	14.9%	8.5%	12.8%	10.6%	6.4%	17.0%	100.0%
Total		Count	340	153	85	85	18	12	512
Total		% by Row	100.0%	45.0%	25.0%	25.0%	5.5%	3.5%	100.0%
Total		Count	8	4	11	3	1	10	48
Total		% by Row	16.7%	8.3%	22.9%	6.3%	2.1%	20.8%	100.0%

Q5_A: What are the primary objectives for your sponsorship? Please indicate your five most important objectives with '1' being the most important and '5' indicating the fifth most important.

		1	2	3	4	5	Total
Associate your brand with MerleFest	Count	14	8	7	3	4	36
	% by Row	38.9%	22.2%	19.4%	8.3%	11.1%	100.0%
Engage in on site sales	Count	11	6	3	4	11	35
	% by Row	31.4%	17.1%	8.6%	11.4%	31.4%	100.0%
Reward employees or clients	Count	12	2	6	6	9	35
	% by Row	34.3%	5.7%	17.1%	17.1%	25.7%	100.0%
One on one interaction with customers	Count	9	11	3	6	7	36
	% by Row	25.0%	30.6%	8.3%	16.7%	19.4%	100.0%
Credential or parking considerations	Count	18	5	4	3	7	37
	% by Row	48.6%	13.5%	10.8%	8.1%	18.9%	100.0%
Enhance dealer relationships	Count	6	4	12	2	7	31
	% by Row	19.4%	12.9%	38.7%	6.5%	22.6%	100.0%
Enhance corporate image	Count	15	5	7	2	4	33
	% by Row	45.5%	15.2%	21.2%	6.1%	12.1%	100.0%
Increase brand awareness & loyalty	Count	22	2	3	4	7	38
	% by Row	57.9%	5.3%	7.9%	10.5%	18.4%	100.0%
Entertain clients	Count	14	2	6	4	11	37
	% by Row	37.8%	5.4%	16.2%	10.8%	29.7%	100.0%
Meet artists and industry leaders	Count	15	6	8	4	5	38
	% by Row	39.5%	15.8%	21.1%	10.5%	13.2%	100.0%
Showcase products	Count	8	9	8	4	5	34
	% by Row	23.5%	26.5%	23.5%	11.8%	14.7%	100.0%
Network with other sponsors	Count	10	7	8	5	4	34
	% by Row	29.4%	20.6%	23.5%	14.7%	11.8%	100.0%
Capture database information	Count	10	5	2	5	9	31
	% by Row	32.3%	16.1%	6.5%	16.1%	29.0%	100.0%
Other	Count	4	1	3	1	6	15
	% by Row	26.7%	6.7%	20.0%	6.7%	40.0%	100.0%
Total	Count	168	73	80	53	96	470
	% by Row	35.7%	15.5%	17.0%	11.3%	20.4%	100.0%

Take Away Item

Properties are worth what they are worth, not what the sponsee wants for them nor what the sponsor wants to pay for them.

Contest #1

How much real value does a sponsor receive for a 4 x 6 banner seen by 10,000 persons at an event without live TV?

\$25



“Both sponsors and properties need to lose the ‘impressions’ sell - signage, program ads, etc. - and deliver elements that drive a brand’s business.”

Tim Staples, The Marketing Arm

The Ten Types of Intangible Benefits

- Prestige of Property
- Recognizability/
Awareness
- Category Exclusivity
- Level of audience
interest and loyalty
- Ability to Activate
- Limited degree of
sponsor clutter
- Non-Ambushability of
Property
- Networking
Opportunities
- Media Coverage
- Established Track
Record



Accounting for Intangible Value

BENEFIT	SCORE
Prestige of Property	7
Recognizability/Awareness	7
Level of Audience Interest/Loyalty	6
Category Exclusivity	9
Protection from Ambush	10
Degree of Sponsor Clutter	9
Ability to Activate	8
Networking Opportunities	9
Media Coverage Potential	7
Established Track Record	8
TOTAL	77



Using the Value of Your Intangibles to Determine Total Package Value

- ✗ The value of your intangible benefits acts as a multiplier of your total tangible value
- ✗ The higher your intangible "score," the higher the multiplier
- ✗ Average multiplier is between 1.2 and 3.5

Tangible Benefits

Asset	Dollar value from	Multiplier	Value
Tickets	List price	Number of tickets	
All Access	List price	Number of	
Signage	\$0.0025	Number of banners and number of attendees	
On site exhibit	List price per square foot	Square feet of display	
Logo on T-short	\$0.05	Number of shirts	

Asset	Dollar value from	Multiplier	Value
Sampling on site	\$0.10	Number of people taking samples	
Sponsor included in advertising	Cost of ad buys	0.1	
Logo on web site	\$0.01	Unique visitors	
MC announcements	\$0.01	Number of Participants	
Access to database	\$0.05	Number of addresses	
Big screen message	\$0.0075	Number of participants	
ID on tickets	\$0.01	Number of tickets	

Section III

Identifying and approaching potential
sponsors

Take Away Item

To major corporate sponsors,
we are just like the unsigned,
unrepresented artists looking
for gigs here at Folk Alliance.

November 14, 2005

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In Depth

Keeping Up With The Changing Nature Of On-site Sales Rights

Depending on the category, offering on-site sales rights to sponsors can be a relatively straightforward arrangement, offering event owners real results from which a sponsor can sell directly or a complicated transaction involving third-party concessionaires, royalties and commissions.

Regardless of whether properties have deals of either type or both, there are constantly new twists to on-site sales that sponsorship marketers should stay on top of in order to maximize their ability to offer such rights.

Below, *IEG* examines some new wrinkles affecting a sponsorship mainstay—beverage touring rights—and also looks at some of the latest ways that sponsors in other categories are integrating on-site sales into their partnerships.

Better Balancing Act Between Sponsors And Concessionaires

Historically, there has been tension between sponsors with sales rights and the third-party concessionaires they need to sell through at many properties.

As recently as five years ago, food, soft drink and beer sponsors routinely marked up the products they sold to concessionaires, a practice they justified by pointing to the higher-than-average retail prices the concessionaires charged fans.

On-site Sales Rights continued on page 4

Strategy

Event Ownership Helps Growing Brewer Stay True To Its Roots

The expense of traditional sponsorships combined with the need to control its brand message have led New Belgium Brewing Co. to embrace and expand its proprietary hike and beer festival as the company increases its distribution area.

New Belgium, the privately owned microbrewer of quirky brands such as Fat Tire, Sunshine and Blue Puddle, produced the 11-stop Tour de Fat for a cost equal to its largest traditional sponsorship—an estimated mid-five-figure deal to be major sponsor and official beer of the Toxido Eucgrass Festival—said Meredith Giske, the company's event marketing manager.

"Owning a property is a way for us to ensure that the consumer is getting the undiluted New Belgium experience," Giske said. "Because we own it, we can shape it as a perfect way to communicate our message. It lets us talk intimately with people who are passionate about the causes we care about."

end our beer, and they relay that message to others. You can't put a price on that kind of advertising. I am surprised that more companies don't do this."

New Belgium continued on page 6

WHO

New Belgium Brewing

TAKEAWAY

Partnering with nonprofits allows microbrewery to reach events it can't reach

SEEKING DEALS

Telco On A Qwest For More Sponsorship

Tired from dropping an estimated low seven figures on new partnerships with the Arizona State Fair, the National Center for Missing and Exploited Children, Boise, Idaho's Qwest Arena and other ties, Qwest Communications Intl. Inc. is scouting other sponsorship opportunities across its 14-state footprint.

The new activity is driven in large part by the need to maintain the company's profile in the face of competition, namely the rapid growth of other traditional telecommunications companies and the encroachment by cable companies onto the telephony turf.

Qwest wants to keep pace with its fellow regional phone companies that have grown larger through acquisitions and are spreading their wings nationally. SBC Communications, Inc. will become the largest telecommunications company in the U.S. when it completes its acquisition and assumes the name of AT&T, Inc., later this year.

Similarly, Verizon Communications, Inc. plans to soon close its purchase of MCI Inc.—a deal it won after Qwest's dogged

Qwest continued on page 2

TIPS FOR SELLING ON-SITE SALES RIGHTS 5
assess properties, establish expectations, up front.

EVENT OWNERSHIP CONSIDERATIONS 6
helps and cons for owners, a pricing, it's one.

PROPERTIES AS MATCHMAKERS 7
provide significant value to sponsors such as, vice versa.

LENOVO 7
plans education on the Qwest sponsorship, is likely a prospect for more deals.

STARTING SMALL 8
works for Twin Cities Marathon for offering two-event packages for first year and increasing commitment for runners.

ASSERTIONS 2



Fresh news and analysis on the future of sponsorship today

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Ginn Clubs And Resorts To Sponsor Bill Elliott's MB2 Motorsports Chevrolet In Daytona

02/06/06

MOORESVILLE, N.C. -- MB2 Motorsports announced today that Ginn (pronounced Ghin) Clubs & Resorts will be the primary sponsor on Bill Elliott's No. 36 Chevrolet during Daytona Speedweeks, including the Feb. 11 Budweiser Shootout and the Feb. 18 Daytona 500.

Based in Celebration, Fla., Ginn Clubs & Resorts is a privately held resort development and management firm, specializing in exclusive leisure lifestyle and vacation destination communities in the United States.

"This is our first venture into motorsports sponsorship and what a thrilling beginning," said Bobby Ginn, president and CEO of Ginn Clubs & Resorts. "To be associated with MB2 Motorsports and the legendary Bill Elliott in the Daytona 500 is a tremendous opportunity to convey our message to the worldwide network of NASCAR fans. The partnership will also provide a special excitement to our communities at Ginn Clubs & Resorts."


Elliott, a two-time Daytona 500 winner, said that he is both confident and happy about returning to Daytona International Speedway as the driver of the No. 36 Ginn Clubs & Resorts Chevrolet.

"We had a productive test session last month in Daytona and I am looking forward to having a successful run in the Ginn Clubs & Resorts Chevy," said Elliott, whose last appearance in the Daytona 500 was in 2003. "All systems are go -- we have a first-class sponsor, a top-notch team and a fast racecar."

Elliott, who has run a limited schedule the past two seasons, has amassed an impressive record as a NASCAR Cup driver. Along with winning the 1988 season championship, the redhead from Dawsonville, Ga. has claimed 44 victories, 175 top fives, 319 top 10s, 55 poles and career earnings of nearly \$38 million.

Jay Frye, MB2's CEO and general manager, said, "Ginn Clubs & Resorts is a world-class organization and we welcome them to our team. What a great way to kick off a partnership at NASCAR's biggest race of the season."

Along with Elliott and the No. 36 Ginn Clubs & Resorts Chevy, MB2's Daytona 500 lineup will include the No. 01 U.S. Army Chevrolet, driven by Joe Nemechek and the No. 14 Waste Management Chevrolet, driven by Sterling Marlin.



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the Five Key Facts —

- ❖ what they need
- ❖ their budget
- ❖ who makes the decisions
- ❖ when
- ❖ how you will follow-up

& One Impression —

- ❖ where is their pain.

Sponsor Prospect Worksheet

	High (5)	Medium (3)	Low (1)	None (0)	Total
Problems You Solve					
Demographic Match					
Image Match					
Audience Purchasing Match					
Timing					
Grand Total					

18-25 Points = Quality Prospect; 13-17 Points = Viable Prospect;
Less than 13 = Poor Prospect

- “Before entering into sponsorship arrangements firms would be advised to take a proactive role in measuring their target consumers’ event image perceptions in order to confirm that the event’s image is consistent with the firm’s brand positioning”
 - Gwinner & Eaton, 1999

Contest #2 – Failure

Guess MerleFest's success rate at
sales through cold contact with
national & regional sponsors via

Cold calls & email

Snail mail

Web submission

1/3 of one per cent (0.33%)

**Plus about twice that in new
relationships that may
lead to future sales**



Hunting: Be active and involved in the community

- ⑩ ❖ Join the Chamber of Commerce, attend its events, serve on committees, and use its networking opportunities. Watch and use the list of new members religiously.
- ⑩ ❖ Go on the rubber chicken circuit and demonstrate the value of your event to the community, artistically and economically.
- ⑩ ❖ Look for companies that have a need in your market such as to rebuild a tarnished image or establish a new store.
- ⑩ ❖ See who is sponsoring other events in your community
- ⑩ ❖ Local franchises are the best route to major corporations

Hunting: Within Your Event

- ❖ Members of your board of directors and committees
- ❖ Businesses and business people with whom you have long term relationships
- ❖ Use your web site as a billboard for sponsorship
- ❖ Those who enjoy your event
- ❖ Those who want special access or accommodation
- ❖ Those who want to do business with your event
- ❖ Contributors who represent businesses

Hunting: Lead Generators

- ❖ Recommendations from satisfied sponsors, including those who have been forced to discontinue by outside forces
- ❖ Established contact people who have moved to new sponsors
- ❖ Media sales people familiar with your event
- ❖ Recommendations from prospects who ultimately had to pass
- ❖ Local business section of your newspaper



Hunting: Within Music

- ❖ Companies sponsoring similar events
- ❖ Companies associated with artists you're presenting
- ❖ Firms needing a presence in your region
- ❖ Firms introducing new product lines
- ❖ Media that need your audience as much as you need theirs



Section IV

Proposals

- Brand awareness is necessary, but only the starting point
- Is a brand image match or transfer occurring?
- “...associative imagery, like the other elements of marketing, has to stem from and be grounded in strategy. It is foolish to sponsor something that does not fit with the overall strategy of the brand.”
 - Sergio Zyman, Former CMO Coca-Cola in The End of Marketing as We Know It

Take Away Item

Building a great event will
earn more sponsorship dollars
than
the best-crafted proposal.

Another Take Away Item

Most festivals and events pursue sponsorship too early in their evolution, again like emerging artists.

The Opportunity Summary

Sells the prospect on seeing full proposal

Briefly describes the demographics, event, its benefits and why sponsor would be a good fit.

Just covers the basics, with back up materials

It does not discuss the specifics

Contains a call to action

Proposal Contents

- The specific sponsorship being pitched
- The sponsorship fee or in-kind and date due
- The itemized deliverables from the sponsee:
 - Credentials and parking
 - Signage
 - Advertising and credits
 - Web presence
 - On site presence
- A call to action as they close, detailing when you will contact them to discuss the proposal.

GM Checklist

- Large, affordable, spectator event?
- Relaxed, entertaining environment?
- Appropriate event/audience for involved brands?
- Dynamic vehicle displays?
- Dealer involvement possible?



WERLEFFES

Section V

Contracts

Take Away Item

The sponsorship contract must
contain every detail of the
relationship

Elements of the Contract

- Basic deal, fee & date due, invoice
- Credentials, parking, & special access
- Real and electronic signage
- Advertising, announcements, rights to mark
- Web site exposure
- Renewal rights, on site presence, lodging, shipping info
- Termination clause
- Legal boilerplate
- Addenda, exhibitor rules, and forms

1. Fees and basic deal

Sponsor Company receives the Specified Stage Sponsorship for MerleFest 2006 in return for a sponsorship fee of \$5500.00 due by March 1, 2006. Please see attached invoice. In consideration of this support of MerleFest, Sponsor Company receives the following:**

2. Credentials & Parking

a) All access passes for 4 guests. These include meals served backstage. (We'll need these names by March 24, 2006. Please use form below).

b) One Gold Expo Center parking permit.

c) Those with all access wristbands may obtain access to Midnight Jam

d) Right to purchase reserved seats at the Watson Stage.

3. Signage

- a) Logos will be displayed from time to time on the big screen at the Watson Stage.**
- b) Logo included on a banner facing the Watson Stage audience.**
- c) As Specified Stage sponsor, logo will appear on signage which MerleFest will make using your logo for display there.**
- d) As a major sponsor, logo will appear on the festival entrance display.**

4. Advertising etc

- a) MC acknowledgments
- b) Credit on Radio Free MerleFest
- c) Sponsor may use “MerleFest 2006 Official Sponsor” and the MerleFest logo
- d) sponsors’ logos in the program book
- e) One (1) full page (7.75” horizontal x 9.5” vertical) 4-color ad in the program book. Sponsor must prepare and deliver ad by stated deadline – March 1, 2006.
- f) Listing in 60,000 festival brochures

5. Web Site

a) your logo on MerleFest sponsor web pages

b) As a major or official sponsor (\$5000 value and above), Sponsor Company's logo will be included on the MerleFest web site home page.

c) Inclusion of the Sponsor Company logo in the schedule section of the MerleFest web site.

6. On site and other issues

a) Sponsor Company has right of first refusal on this sponsorship for MerleFest 2007 until July 1, 2006.

b) Shipping and receiving info.

c) MerleFest can assist, on a limited basis, with reserving motel rooms

d) Exhibit, display, or sampling rights

7. Other matters

- a) Terminations rights**
- b) Legal venue**
- c) Warranties and mutual indemnity**
- d) invoice(s)**
- e) registration forms**
- f) exhibit rules**

Section VI

Managing the Relationship

Take Away Item

You cannot communicate with your sponsors
too much

Build the Relationship

- **Make your prospects / sponsors feel they are a part of the process, give them ownership and a personal stake in creating the package**
- **Service long time sponsors with tailored ideas so they renew and stay committed**
- **Be flexible with negotiation**



“By taking a managed approach to sponsorship and giving a sponsor a chance to sample our event at a lower level, we can bring them up and not only have them remain with us, but be active and want to be more involved.” – John Aranson, Twin Cities Marathon 2005

“You can’t be in the situation of not wanting to take a sponsor’s call. The more you communicate the better.”

Mark Livingston

director of strategic alliances for Vans Inc

Survey your sponsors each year

- **Q7: To what degree does MerleFest deliver the benefits specified in the sponsor agreement?**

Response	20%	40%	60%	80%	100%	Frequency	Count
Completely	<div></div>					97.6%	40
To some degree	<div></div>					0.0%	0
Not at all	<div></div>					2.4%	1
Not Answered							7
Mean						1.049	
Valid Responses						41	
Total Responses						48	

Section VII

Fulfillment Reports and Renewal

Take Away Item

The fulfillment report sells renewal

Why Sponsors Renew

Internal Feedback	88%
Sales bounce back	56%
Print media analysis	51%
TV exposure	46%
Dealer response	43%
Primary consumer research	42%

Give them the Data they need

- Community Impact
- Attendance
- Media Impact
- Demographics and Geographics
- Signage documentation
- Web traffic



MERLEFEST 2006

TOTAL ESTIMATED PARTICIPATION



	2000	2001	2002	2003	2004	2005	2006	2005-06
Paid Participation	Festival	Festival	Festival	Festival	Festival	Festival	Festival	% Change
3 & 4 Day	22,719	23,240	22,141	26,216	29,133	24,608	26,507	7.7%
Thursday One Day	1,379	392	275	470	468	605	578	-4.5%
Friday One Day	1,805	2,464	2,838	1,917	2,366	1,765	2,966	68.0%
Saturday One Day	3,772	5,871	7,942	3,599	4,049	4,046	4,825	19.3%
Sunday One Day	1,166	1,763	1,402	1,568	513	3,030	1,666	-45.0%
Chamber Reception	910	900	900	859	839	950	900	-5.3%
Patrons	1,880	1,976	2,116	2,644	2,508	2,548	2,768	8.6%
Sponsors	-	-	-	-	-	-	2,851	N/A
Vendors (Craft & Commercial)	-	-	-	-	-	-	657	N/A
Other Sales (One Day)	-	-	-	-	400	317	80	-74.8%
Other Sales (Four Day)	-	-	-	-	956	708	255	-64.0%
Total Paid Participation	32,721	35,706	36,714	36,414	41,232	38,577	44,053	14.2%
Other Attendees:								
Public School Students	800	1,100	2,410	3,006	3,200	4,565	3,414	-25.2%
Outreach	12,000	12,000	12,000	12,000	12,000	12,000	12,000	0.0%
Child with Parent	1,800	2,100	2,400	2,000	2,200	3,000	3,200	6.7%
Volunteers/Groups	5,750	6,090	8,097	7,062	6,826	6,324	6,546	3.5%
Artist/Guest/Tech/Staff	7,872	9,357	8,732	8,199	7,779	7,806	7,019	-10.1%
Promo. Trades/Media	3,639	2,428	3,888	5,191	5,481	5,278	3,235	-38.7%
Suppliers	-	-	-	-	-	-	3,173	N/A
Vendors/Suppliers *	3,212	7,453	3,153	2,628	2,427	2,548	N/A	N/A
Total Non-Paid	35,983	41,428	41,580	40,945	40,752	41,521	38,587	-7.1%
Total Participation	68,704	77,134	78,294	77,359	81,592	80,098	82,640	3.2%

* In 2006 Vendors and Supplier categories were separated.

Demonstrate your value to the community



MERLEFEST 2006 ESTIMATED COMMUNITY IMPACT



Tourist Expenditure Protocols	Average Per Person Expenditure	Ticketed (Unduplicated)	Proportion	Total Expenditures
Gasoline	\$ 63.27	18,934	77%	\$ 922,424.72
Lodging	\$ 127.25	18,934	81%	\$ 1,951,574.72
Miscellaneous Purchases	\$ 81.99	18,934	70%	\$ 1,086,679.06
Dining	\$ 72.33	18,934	76%	\$ 1,040,817.13
Total Tourist Expenditure				\$ 5,001,495.62
Total Ticket Sales				\$ 1,863,480.00
Festival Local Expenditures**				\$ 1,614,574.86
Total Civic Club Income (Donations)				\$ 145,210.00
Total Festival Expenditures				\$ 8,424,760.48
Times Regional Economic Multiplier***				1.87
Total Economic Impact				\$ 15,754,302.10

MerleFest Contributes to Wilkes Community College



MerleFest proceeds have contributed \$7.28 Million to Wilkes Community College



MerleFest has pledged to contribute \$1,200,000 to the first phase of the Next Step Campaign at Wilkes Community College



MerleFest enjoys media sponsorship by the Winston-Salem Journal, Acoustic Guitar, No Depression, WBRF, WNCW, WUNC public radio (Chapel Hill), WKVS (Lenoir), WFMX, Bluegrass Unlimited, Bluegrasscountry.org, WAMU-FM (Washington, DC), Sing Out! Magazine, WQDR-FM (Raleigh), Bluegrass Now, Western Beat syndicated radio, Singer magazine, American Songwriter magazine, and Paste Magazine.



Eighty-nine radio stations in 16 states and Canada participated in MerleFest 2004 promotions, giving away \$54,900 worth of tickets to their listeners. Including media sponsorships with that total, MerleFest 2004 bartered for \$134,682 worth of radio airtime, magazine, website, newspaper, and cable TV advertising.



A crew from CNN's "Aaron Brown Show" spent two days at MerleFest 2004 for an episode aired in late May 2004. CMT, TNN, and VH-1 have covered MerleFest. Triad TV stations WFMY-2, WGHP-8, and WXII-12 broadcast from MerleFest 2004, as did Bristol, VA's WCBY-5.



370 UNC Public TV contributors requested MerleFest tickets in March 2005

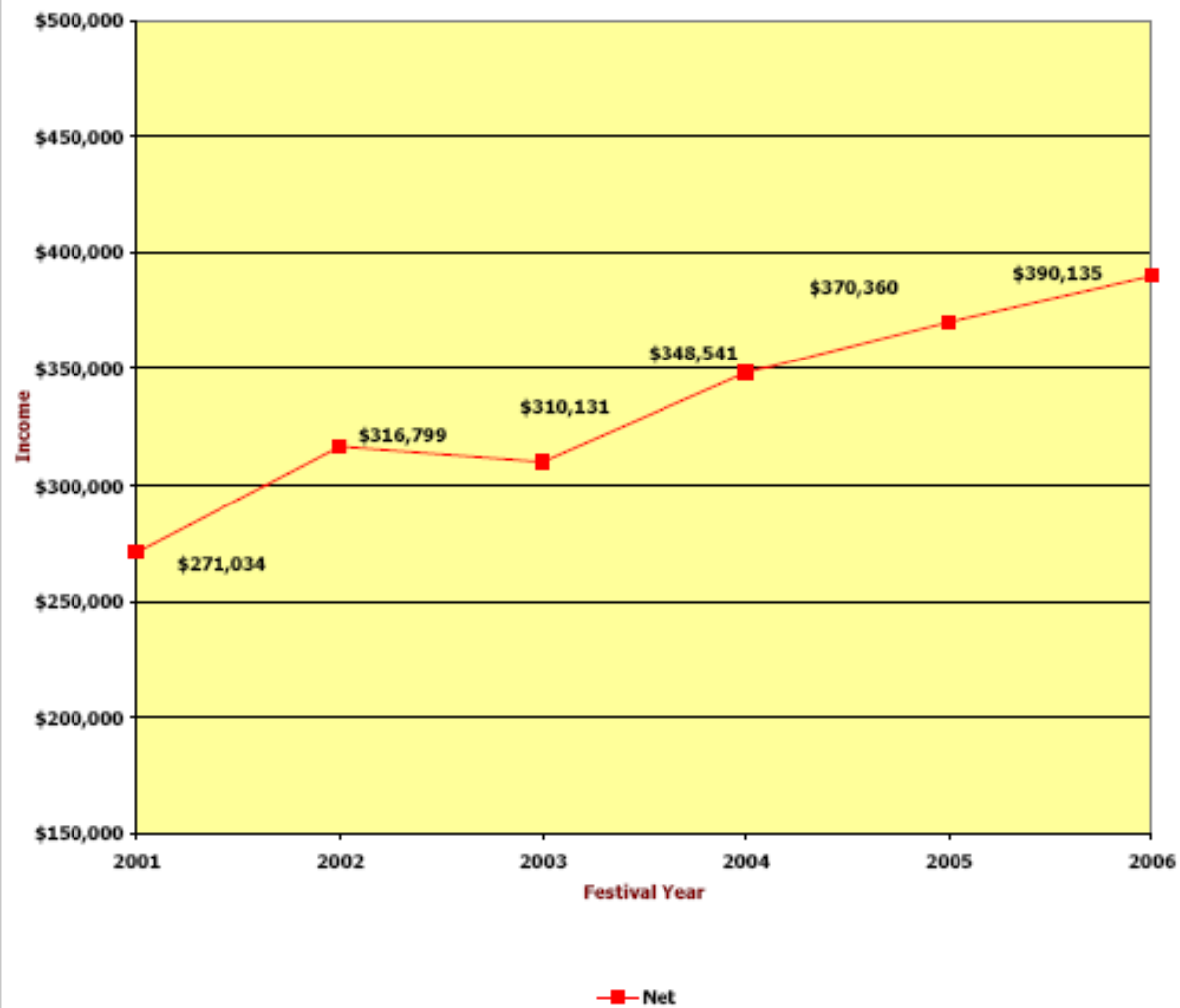


"Picking for Merle," filmed for public TV at MerleFest 1992, aired in 46 states



XM Satellite Radio began airing MerleFest live nationwide in 2003

WCC & Civic Club Sales/Services Donations 2006



Ticket Buyers by State

State	Estimated Ticket Buyers
NC	18950
VA	4000
OH	1850
SC	1750
GA	1400
PA	1350
TN	1300
CA	750
FL	650
KY	600
WV	600

“... you can have all the impressions and brand awareness you can ever dream of, but if the sponsorship is not driving sales, fostering new relationships or breaking into a new market, it’s not worth it.”

–Tad Ehrbar, Sony USA

“(Properties) need to be able
to demonstrate their long-
term sustainability combined
with an even stronger
emotional connection with
their market.”

—Chris Strain, Vans Inc.

Small Tyson logo underneath MerleFest

