# Municipalities and Corporate Partnerships:

The Good, The Bad and the Ugly in Increasing Revenues Without Raising Taxes

Sunday August 17, 2025 – 3:30 to 5 pm





### SESSION OVERVIEW

- 1. What is corporate sponsorship?
- 2. Industry trending sponsorship overall as well as specific to municipalities
- 3. What You Need to Know: Steps, Process and Timelines
- 4. Questions and Discussion



### WHO ARE WE?

- 1. National Sponsorship Consulting Agency
- 2. Staff in BC, AB, ON (50% of Team) and NFLD
- 3. 24 years in operation next month
- 4. Support municipalities and other properties
- 5. Support brands and sponsors
- 6. Not a sales agency



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### WHAT IS SPONSORSHIP?

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# WHAT IS NOT SPONSORSHIP?

- Philanthropy
- Funding Underwriting
- Advertising



### WHAT IS NOT SPONSORSHIP?



# WHAT IS NOT SPONSORSHIP?

- Philanthropy
- Funding –Underwriting
- Advertising





### **Definition of Sponsorship**



A cash and/or in-kind fee paid to the to a municipality (or other property) in return for the commercial potential associated with that municipality or organization.





### WHAT IS SPONSORSHIP?

"Sponsorship reaches people in an environment that matches their lifestyle rather than intrudes upon it. Sponsorships speaks to the public, not at them."





# CANADIAN SPONSORSHIP LANDSCAPE STUDY



# Canadian Sponsorship Landscape Study

- ✓\$2.8B industry
- √ 85% of decision makers from M&C
- ✓ 15% from PR / GR / IR
- ✓ Only 5% from Community relations / investment

\*there was duplication numbers hence the 105%!!!





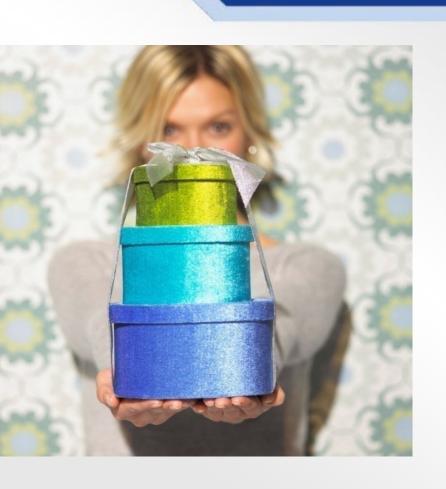
# Canadian Sponsorship Landscape Study

- ✓ On average brands had 55 deals!
- ✓ On average properties had 39 deals!
- √ 78% of dollars were in cash versus VIK
- √ 10% were local deals / 30% National / 20% provincial 12% regional / 28% international





# What has changed in the marketplace?



### **IMAGINE Canada study:**

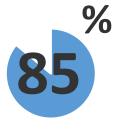
 56% of Canadian corporations are engaging in sponsorship that used to be philanthropy



### CONSUMER SPONSORSHIP RANKING – MUNICIPALITIES

(Partnership Group – Sponsorship Specialists / Neilson)

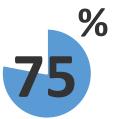
#### **OPINIONS ON MUNICIPAL SPONSORSHIP**



Companies should be able to **sponsor public spaces** such as hockey rinks, ball parks and recreational facilities



Companies should be able to **retitle existing buildings** named after prominent citizens or community benefactors



**No preferential treatment** for corporate sponsors of cities – sponsorship and awarding of contracts should be separate







































- 66% of municipalities are involved in some form of corporate engagement
- Almost 50% more municipalities in the naming rights game for over a decade
- 47% have actively marketed their opportunities for over 5 years

# The most common naming of Municipal facilities are:

- Arenas
- Recreation complexes
- Pools
- Sports fields





**Source:** Canadian Municipal Benchmarking Survey on Sponsorship and Naming Rights

Centre of Excellence For Public Sector Marketing

 Most common length or term for naming rights is 5-10 years

"Perpetuity agreements" are now scarce,

and frowned upon





**Source:** Canadian Municipal Benchmarking Survey on Sponsorship and Naming Rights

Centre of Excellence For Public Sector Marketing

- 94% of these identified municipalities in the game are actively seeking naming rights of which almost 2/3 have agreements in place
- Arenas, recreation complexes, pools and sports fields are the most common naming
- 55% of the municipalities have sponsorship centrally managed for the municipality and 45% allocate by department

**Source:** Canadian Municipal Benchmarking Survey on Sponsorship and Naming Rights

Centre of Excellence For Public Sector Marketing

- 82% have sponsorship policy in place
- 62% have naming rights policy only in place
- 43% have just advertising policy in place
- Many communities between 15,000 and 150,000 people have between \$250,000 and \$1M in revenue potential annually

**Source:** Canadian Municipal Benchmarking Survey on Sponsorship and Naming Rights

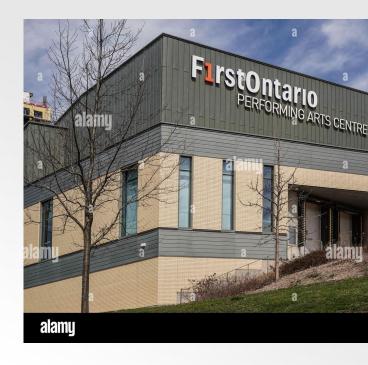
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## KEY DISCUSSIONS IN COMMUNITIES

- a) Our buildings are owned and paid for by municipalities - why should a corporation get to put their name on it?
- b) Is this potential capital revenue for new projects or operational revenues?
- c) How will this affect different departments?
- d) How will this affect user groups?

### NAMING RIGHT DEAL COMPARISONS

- Milton First Ontario Preforming Arts Centre - \$50,000 per year
- Burlington Haber Recreation
   Centre \$60,000 per year
- Kitchner Activia Sportplex –
   \$50,000 per year
- Barrie Meridian Place Outdoor Amphitheatre - \$30,000 per year





# NAMING RIGHT DEAL COMPARISONS

- Melville SK CN
   Recreation
   Centre \$38,000
   per year
- peryear

- Schomberg Trisan Centre (Arena) - \$12,000 per year
- Sarnia Progressive Auto
   Sales Arena \$42,500 per year
- Leamington Nature Fresh Farms Recreation Centre -\$65,000 per year



# HOW THIS AFFECTS YOUR MUNICIPALITY





# SHOULD YOU BE IN THE GAME OR NOT?

- ✓ Do you need additional revenues beyond user fees and taxes?
- ✓ Are users / citizens concerned about increasing tax rates and increasing user fees at facilities?
- ✓ Do you own rinks, parks, leisure centers, performing arts centers, programming, etc.?





# SHOULD YOU BE IN THE GAME OR NOT?

- ✓ Do you presently have sponsorship policy in place?
- ✓ Do you know what you have to sell?
- ✓ Do you know what your assets are worth?
- ✓ Are you committed to doing sponsorship or is it ad hoc?





### REALITY CHECK

- ✓ You are already doing sponsorship and advertising to an extent
- ✓ It is simply being done in an ad hoc way right now
- ✓ The question really is not about "do you want to be in the sponsorship game?"
- ✓ The question really is "How do you want to be involved in sponsorship?"

# SPONSORSHIP TODAY IN MUNICIPALITIES



✓ We need to understand that for municipalities and others it is no longer just naming rights, but rather holistic sponsorship programs including and / or excluding naming rights



## NEXT STEPS WHAT YOU NEED TO KNOW

#### Four key steps

- 1. Feasibility Study / IAV
- 2. Strategy
- 3. Policy
- 4. Implementing





# FOUR KEY STEPS TO SUCCESS

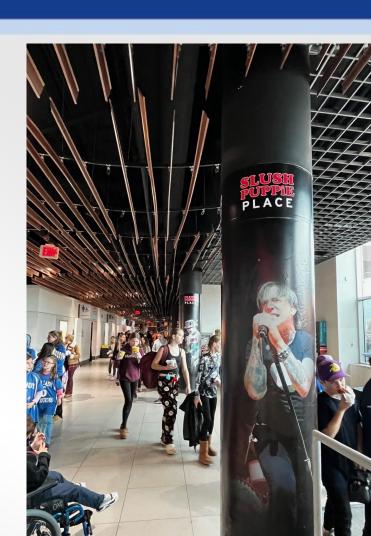
- 1. Undertake a sponsorship Inventory Asset Valuation (IAV)
  - a) Determine sponsorship assets & naming rights
  - b) Value the assets in real market terms and determine potential revenue





### KEY PROPERTIES AND ASSETS

- a) Aquatic Centre
- b) Community / Leisure Centre
- c) Spray Parks Outdoor Pools
- d) Hockey Rinks
- e) Community Centres
- f) Ball Diamonds / Fields
- g) Dog Parks
- h) Trails



# KEY PROPERTIES AND ASSETS



'Naming Rights' – Some Municipalities do not put corporate names on the outside of buildings but sell everything inside



# KEY PROPERTIES AND ASSETS

Look at programming and events as major assets that would be identified in an IAV (Inventory Asset Valuation) this is where sponsors can "touch and engage with citizens" and activate and provide value add!

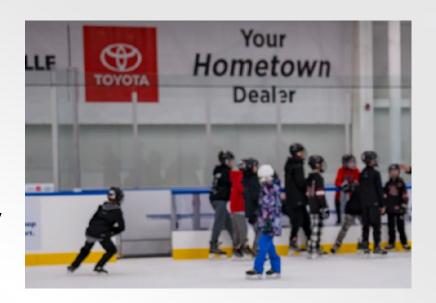




# KEY PROPERTIES AND ASSETS

#### **Events**

- Canada Day
- Summer Concert
   Series
- Winter Lights Display
- Music Festival
- Ethnic Celebration





# KEY PROPERTIES AND ASSETS

#### **Programming**

- Seniors Week
- Music Festival
- Pride Week
- Fall Fair
- After school programming



# FOUR KEY STEPS TO SUCCESS



#### 2. Develop monetization strategy

- a) Identify outline of revenue potential
- b) Provide date timelines and tracking measurement for accountability
- c) Determine needs from a human capital perspective (staffing / volunteers / outsourcing sales)
- d) Determine realistic nature of prospects against goals and objectives PARTNERSHIPGRO
- e) Identify fulfilment needs

### FOUR KEY STEPS TO SUCCESS



#### 3. Develop Policy

- a) This may be done sooner in conjunction with monetization strategy
- b) Reviews commercial and noncommercial naming rights, alignment with by-laws, gifts



### FOUR KEY STEPS TO SUCCESS



#### 4. Implement Program

- a) Monitoring of Monetization Strategy
- b) Typically, your consultant stays on to support this with advisory hours and one on one time





#### **OUTCOMES?**

✓ Ongoing operational dollars

- ✓ Enhanced partnerships
- ✓ Will be more work, but rewards are greater



#### PROJECTED TIMELINES

- 1. IAV (Inventory Asset Valuation) 6 months
- 2. Policy-4 weeks
- 3. Strategy 6 weeks
- 4. Mentoring and consulting ongoing



### EXPECTATIONS OF ALL DEPARTMENTS

- The departments own the assets collaboration with your sales folks
- Everyone in the organization are part of the process to ensure that the programs work
- 3. Open-mindedness
- 4. Collaboration





#### SALES APPROACHES



- 1. Build internal capacity
- 2. Outsource sales and keep service / fulfilment in-house
- Outsource Sales and Service
- 4. Hybrid



### EXPECTATIONS OF COUNCIL

- 1. Provide feedback on IAV
- 2. Review, provide insight and approve the policy
- 3. Open Doors for staff
- 4. Step back and allow the staff to move the process forward
- 5. Be part of the success when the deal is done!

### WHAT ELSE YOU NEED TO KNOW

- ✓ You need to look at sponsorship as a partnership and not a handout – sponsor needs to win as well!
- ✓ The average timeline is 18-22 months
- ✓ You need to follow the strategy once developed
- ✓ Understand that package selling is taboo customized proposal development is key
- ✓ It is **NOT** transactional

### QUESTIONS



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