

Phillips 66 tie to Big 12 hoops 25 years strong

BY MICHAEL SMITH

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The first contract for Phillips 66 to title sponsor the Big Eight Conference basketball tournament covered just one year. The deal, executed barely a week before the 1988 tournament tipped off, was little more than an experiment at a time when college title sponsorships were rare.

Entering its 25th conference tournament as the title sponsor this week for what is now the Big 12, Phillips 66 glows about what is believed to be the longest-running title sponsorship of a college event. The closest comparison would have been the 21-year-old title sponsorship FedEx had with the Orange Bowl before FedEx bowed out in 2010.

"When you think about all of the changes that can happen, from executive turnover to changes in ownership, title sponsorships just don't last like that anymore," said Ken Haines, president and CEO of Raycom Sports, the company that negotiated the first contract on behalf of the conference.

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BOB POMEROY, WHO OVERSAW THE DEAL FOR PHILLIPS 66 FOR A DECADE UNTIL HIS RETIREMENT IN 2005

Since 1988, the Phillips 66 sponsorship has weathered changes in marketing executives, turnovers at the CEO level and even a merger with Conoco a decade ago. But it lives on with a relatively simple blocking-and-tackling execution that includes heavy hospitality of the marketers and distributors who buy Phillips 66 gas, promotions at retail and a strong brand presence developed over years of having its name and logo embedded within the tournament.

It's a formula that has survived the test of time and required relatively few tweaks along the way for a company that is rooted in Big 12 country and recruits most of its employees within the conference's footprint. Phillips 66 typically spends three-quarters of its employee recruitment budget with Big 12 schools. In the Beijing office of ConocoPhillips, the parent company, you're likely to see University of Oklahoma posters on one wall and University of Texas posters on another, evidence of the tie between the brand and the conference.

"It works," said Bob Pomeroy, who oversaw the deal for Phillips 66 for a decade until his retirement in 2005. "A lot of it is good will. I can't tell you how many letters I'd get from all over Big 12 country from people saying how much they appreciated the support. It's the kind of thing you'd only find in college sports."

The original one-year trial deal was fol-



Phillips 66's name is on the Big 12's men's and women's basketball and baseball tournaments.

lowed by a five-year contract, again negotiated by Raycom, the Big Eight's multimedia partner at the time. That deal called for Phillips 66 to pay \$300,000 for the sponsorship fee and another \$342,000 in seasonlong advertising with Raycom, which produced and broadcast the conference games back then. Raycom's commission was 25 percent of the sponsorship fee, with 75 percent going to the conference.

Of course, those figures grew over the course of the last two decades and now the sponsor spends in the low seven figures annually with ESPN Regional Television, the current multimedia rights holder for the Big 12.

Phillips 66 is in the final year of this deal and talks are ongoing about an extension.

Raycom eventually lost the conference's rights to a competing agency, Creative Sports, led by Pete Derzis, in 1993. A year later, Creative was bought by ESPN and rebranded into ESPN Regional Television, which still holds the rights. Derzis is now the senior vice president and general manager of that ESPN division in Charlotte, continuing the long-standing relationship between the conference, the rights holder and the sponsor.

"We were involved in other deals where it was obvious that everybody was out for their own good, and this deal has never been like that," Pomeroy said. "The Big 12 and ESPN were always looking out for us and

next to each bench, which put the Phillips shield in the camera shot every time the ball went up and down the court. We put it on the pad cover under the goal. One year, we didn't tell them where the new place for the logo would be."

Allen had turned the placement of Phillips 66 signage into a game of "Where's Waldo?" Each season, he'd try to be more creative than the last, watching numerous games on television in an effort to find ideas for the placement of the red shield. It was during the '90s that Allen put the 66 shield on the back of the shot clock that was positioned over the backboard.

This was in the days when the shot clock was a square black box and a lone screen faced toward the court, unlike today's three-sided shot clock. The Phillips 66 logo fit nicely on the back of the old shot clock and was visible to thousands of fans in the corners and end zones of Kemper Arena in Kansas City. A motorized fan on the back of the shot clock kept the device cool, so Allen had to cut slits into the Phillips shield so that air could flow through the sign and keep the shot clock from overheating.

"There's such a strong identity that's been

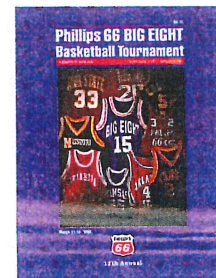
who comes back to the tournament every year. Over the years, Phillips 66's ticket allotment has grown to 600 and it has added heavy hospitality for its best customer within the Founders Club, an entertainer area inside the Sprint Center in Kansas City where the tournament is being held this year. Tickets to regular-season basketball games at campus sites, and even tickets to football bowl games that feature Big Eight or Big 12 teams were part of the sponsorship in the past.

The relationship between the company and the conference has blossomed over the past decade with Phillips 66 picking up the title sponsorship for the Big 12 women's basketball tournament and the baseball tournament. Phillips 66's only other sponsorship is with the St. Louis Cardinals, although the parent company, ConocoPhillips, does have a corporate relationship with US Swimming, a deal that rotates different ConocoPhillips brands on the charitable "Make a Splash" program.

But for Bartlesville, Okla.-based Phillips 66, a company that used to sponsor the Phillips 66ers semi-pro team, hoops is where the heart is. When he still worked at Phillips 66, Thompson was part of the strong basketball culture that still exists within the company.

The 66ers, who won several AAU national championships and competed in leagues that were considered alternative to the NBA at the time, were a place for former college stars to play while also working on their executive careers. At that time, they thought the could make more money as professional in the oil business than a professional in the NBA. So the 66ers provided a way for them to keep playing while working for the company. Other companies, like Goodyear and Caterpillar, also sponsored teams in leagues like the National Industrial Basketball League.

Many of those former players, like Thompson and Charlie Bowerman, went on to become high-ranking and influential executives within Phillips 66. Bowerman



A program from the 1988 Big Eight tournament



Big 12 executive Tim Allen is an expert at finding new vantage points for the Phillips 66 shield at the conference's basketball tournament.

we appreciated that."

Tim Allen, the veteran Big 12 administrator who was a media coordinator back in the days of the Big Eight and has been around for all 25 of the Phillips 66-sponsored tournaments, was known for his creativity in finding new ways to display the Phillips 66 shield in a way the TV cameras couldn't miss.

"As the tournament manager, I'd go stand in every section of the arena and look for subtle places to put the shield," Allen said. "One year, we made up water-cooler holders



built up over the years between Phillips 66 and the tournament," said Gary Thompson, whose Ames, Iowa, oil company spends millions annually buying Phillips 66 gas for his stations. "It's particularly valuable to us here in Big 12 country. The promotions are something that our customers look forward to, and we really like it from the retail end because it gets customers in the stores."

Thompson, a former Phillips 66 executive who went on to build his own oil business, is one of those business-to-business invitees

who is in the Indiana Basketball Hall of Fame, was the vice president of marketing when the company first sponsored the Big Eight tournament.

That strong attachment between the company and basketball has helped sustain the sponsorship through the years.

"It's more than a sponsorship," Pomeroy said. "I've got friends now at the Big 12 (ESPN that I still talk to, and I've been retired for a while. But they are friends of mine forever."