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To ACC brass, March is cash

Chris Baysden

GREENSBORO – March is money time for Atlantic Coast Conference sponsors, who will be out in full promotional force – with advertisements, in-game contests and FanFest activities – at the 2011 men's basketball tournament in Greensboro.

But the real action from a business perspective will tip off in the weeks after the games are over. That's when as much as \$20 million in annual revenue will be at stake, as ACC reps work to re-sign existing sponsors while also trying to recruit at least four new partners.

The conference currently has eight corporate sponsors: BB&T, **Food Lion**, Pepsi, Gatorade, Geico, **AT&T**, Toyota and Havoline. The first five of those deals expire this summer at the conclusion of the ACC's current media deal with **Raycom Sports**. A sixth sponsorship deal, AT&T's, will expire at the end of the calendar year.

Sponsors often want to wait until after the ACC Tournament to get into the nitty gritty of renewal negotiations, says [Wyatt Hicks](#), vice president of marketing for ACC Properties, the business end of the conference. But he says, "I think we're in a real good position" in regards to obtaining renewals.

One of the sponsors that Hicks will be wooing is Winston-Salem-based BB&T. The bank signed on as a sponsor just last year, but it was a short-term deal – with an extension option – due to the expiration of the television contract, Hicks says.

BB&T's [Merrie Tolbert](#) says the ACC partnership is a good fit for the bank because the bank has a branch presence in most of the league's markets, and many of its clients are fans or graduates.

"The ACC brand is a respected, valuable one," Tolbert writes. "We do not enter relationships such as this without giving it a lot of thought. We expect this to be a long-term relationship."

The ACC's sponsorship deals typically range from \$1 million to \$2 million per year, with the amount of television commercial buys primarily driving the price differences, says Hicks. For that amount of coin, sponsors get TV advertising, tickets to use in promotions, signage opportunities, the ability to hold promotional events and other benefits.

ACC Properties, which is run by Charlotte-based Raycom Sports, collects the revenue from those deals. In turn, it pays the ACC a rights fee for the opportunity to sell the sponsorships.

"In today's world, there is a great importance for corporate support within intercollegiate athletics," says ACC Commissioner [John Swofford](#). "The ACC's corporate partners are a tremendous asset to the league and our member institutions, and we're proud to be associated with such a quality group."

In addition to trying to re-sign as many of the existing sponsors as possible – or land replacements in their respective categories – ACC Properties executives are working to add sponsors for four additional categories.

If successful, that would bring the total number of corporate sponsorships to a dozen. Nine is the most sponsors the league has had before at any one time.

Sponsorship categories the league is looking to add include domestic auto, quick service restaurant and airline. While no sponsor for those categories is currently on board, Chick-fil-A, Chrysler/Jeep and Continental Airlines have been league sponsors in the past.

Even though the ACC's new 12-year, \$1.86 billion television deal is with ABC/ESPN, the contract is structured in a way that will enable Raycom to continue to market the corporate sponsorships. In addition to the main sponsorships, Raycom is looking at other ways to increase revenue – such as by offering limited sponsorships at a lower cost.

[Gary Stevenson](#), a local sports business insider who previously worked as a principal with Wasserman Media Group LLC, says that one of the keys for sponsors is to understand who they are targeting before they strike a deal.

"Sports historically gives a great return on investment – if the program is well designed and executed," he says.

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