MULTIMEDIA RIGHTS HOLDERS AND ATHLETIC SPONSORSHIP:
A SYSTEM THEORY CASE STUDY OF THE UNIVERSITY OF ALABAMA

By

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ABSTRACT

This research offers a case study of sports multimedia contracts as awarded by the University of Alabama and executed by Crimson Tide Sports Marketing, a Learfield/IMG sports management subsidiary. This case study used system theory to investigate how the UA/CTSM sports contract is executed. System theory reviews complex organizations as composed of smaller units with specific responsibilities. System theory research involves observing and describing the operating units, how they interact and how each unit contributes to the organization’s goals. Six system components were identified in the UA/CTSM system. However, the most frequent interactions were reported between the control, network distribution, and advertising units. These components work together to create revenue through their participation in the system.
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<tr>
<th>Abbreviation</th>
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<td>CTSM</td>
<td>Crimson Tide Sports Marketing</td>
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<td>IMC</td>
<td>Integrated Marketing Communication</td>
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<td>MLB</td>
<td>Major League Baseball</td>
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<td>National Collegiate Athletic Association</td>
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<td>VP</td>
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CHAPTER 1

INTRODUCTION

Sports event sponsorship has seen rapid growth over the past 28 years. Once considered a small element of the promotional mix, the increase in spending demonstrates that sponsorship has developed into a more prominent element of corporate communication strategy. In 1982, corporations spent an estimated $500 million in sponsorship (Lee, Sandler, & Shani, 1997). Although 2009 had 0.6 percent decrease in spending, IEG reported that 2010 sponsorship spending was $17.2 billion within the United States and projects that it will be $18.9 billion in 2012 (sponsorship.com). Previously, sport sponsorship was composed mostly of companies directly associated with sports (Crimmins & Horn, 1996). Much of the growth can be attributed to companies that do not have an obvious connection to sports and decide to incorporate sport sponsorship as an element of their marketing communication plans.

What has changed about the use of sports events as marketing platforms is the variety of brands and services seeking to associate with sports, increasingly sophisticated marketing programs built around sports, and expanding budgets dedicated to sponsoring and supporting sports-based marketing efforts (Cornwell & Maignan, 1998, p. 318).

Different types of brands seek out sport sponsorship because of the intense emotion and passion that are linked to sports. Brands see an opportunity to benefit from the sports’ fanaticism to make an emotional connection with the consumer.

Sporting events account for 68 percent of sponsorship spending (sponsorship.com). Today, sport is one of the largest and most visible industries in the
Sport sponsorship offers companies an opportunity to be a part of an extremely loyal consumer base. Due to strong loyalties the consumer holds toward a certain sport or team, companies want to be associated with the sport or team to capitalize on the strong emotional connection. As Adler and Adler (1988) put it,

College athletic teams generate an intense loyalty that surpasses the more bland forms of organizational commitment commonly found in ordinary organizations. Other organizations that generate this kind of intense loyalty, such as combat units and religious cults, are frequently groups with highly interdependent members that function at a high performance level (p.413).

Companies recognize fans’ intense devotion and want to transfer some of the athletic loyalty to their brands. Companies see sponsorship as an opportunity to engage with an extremely loyal fan base that could potentially be customers. Adler and Adler’s study examined the intense organizational loyalty within college athletics. They found that “five conceptual elements have emerged as critical to the development of intense loyalty in organizations: domination, identification, commitment, integration, and goal alignment” (p. 404). Companies would love to have one of these five elements transfer into brand loyalty as a result of college athletic sponsorship.

Prior to multimedia rights holders, the sponsoring company would have to build its own sponsorship package. Unlike Major League Baseball (MLB) and the National Basketball Association (NBA), college sports do not have a league office marketing league-wide sponsorship opportunities. Multimedia rights holders provide one place for a company to purchase athletic sponsorship for one school. The multimedia right holders are attempting to make college space easier to manage from the sponsor perspective (Smith, 2010). For example in the 2009-2010 academic year, Crimson Tide Sports Marketing (CTSM), the University of Alabama’s athletic multimedia rights holder,
brought in over $13.3 million in sponsorship money alone (Learfield Sports, 2010). For the university’s media rights holder to best serve its clients, it is crucial to understand why companies are willing to put over $13.3 million into sponsoring one program. It is also important to understand the media rights holder model within universities and how the multimedia contracts impact collegiate athletics and the university community.

Sponsorship, along with other marketing communication strategies and tactics, has been confused in the mind of the consumer. The term sponsorship has been liberally used to describe a variety of agreements between organizations, companies and events that include the exchange of some kind of resource (money, equipment, people, land, etc). It does not differentiate between a company spending millions of dollars to be an official sponsor and a company buying a small piece of advertising space at an event. The broad definition lends itself to confusion when attempting to systematically research sponsorship. For research purposes, this case study will define sponsorship as follows:

The provision of resources (e.g., money, people, equipment) by an organization directly to an event, cause or activity in exchange for a direct association (link) to the event, cause or activity. The providing organization can then engage in sponsorship-linked marketing to achieve either their corporate, marketing or media objectives (Sandler and Shani, 1989, as cited in Lee, Sandler, & Shani, 1997, p.162).

Prior research on corporate sponsorship, specifically sport sponsorship, tends to vary in topics. Some sports sponsorship research has been largely focused on sponsorship effectiveness and behavioral intentions. Closely tied to sponsorship effectiveness, sponsorship studies have examined behavioral response to see whether sponsorship influences consumer purchase intentions (Crowley, 1991). Furthermore, many of those studies use sponsor recall as a measure of effectiveness. There is very little research from the sponsoring company’s perspective. There is no clear understanding of how companies
select, manage, and evaluate sponsorship as a marketing communication investment. Also, there is limited research on collegiate athletic sponsorship and its impact on the university.

Marketing, public relations, and advertising have begun to overlap, and as a result, Integrated Marketing Communication (IMC) has evolved as a general term to describe multiple-dimension communication strategies used to engage a brand’s target market. Until recently, mass communication has been a one-way conversation from a company to its customer. But technology developments now allow the company to have a two-way conversation with consumers and enable the company to create more specialized messages for specific target markets (Richard & Curran, 2002). Sports event sponsorship is an increasingly important IMC tactic.

This case study will use system theory to investigate sport sponsorship in collegiate multimedia contracts at the University of Alabama. Three specific units were identified within this system: control, network distribution, and advertising. These units work together to create revenue through their participation in the system. The objective of this research is to investigate multimedia contracts to understand how the different components of the system work together to generate value for the institution’s athletic programs and the programs’ sponsors. This case study will provide insight as to why sponsorship multimedia contracts are successful on a collegiate level. With this information, multimedia rights holders will be able to better serve sponsoring brands and the collegiate athletic programs they represent.

Chapter 2 reviews the relevant literature concerning sponsor selection, evaluation strategies and multimedia contracts. System theory is reviewed to understand different
types of communication systems and how the system components interact. The chapter concludes with hypotheses and research questions. The case study method used to test these hypotheses is described in Chapter 3. Chapter 4, Results, details the case findings. Chapter 5, Discussion, discusses the theoretical and practical implications of the findings, notes the research limitations and suggests sponsorship areas where future research could be beneficial.
CHAPTER 2
REVIEW OF LITERATURE

With the wide variety of sporting events from local little league games to worldwide events like the Olympics, brands have multiple avenues and levels to be associated with a sport and/or sporting event. The term “sport sponsorship” has been broadly used but loosely defined. General sport advertising clouds the understanding of sport sponsorship as a strategic part of a brand’s IMC plan. Simply, sponsorship can be defined as “the provision of resources (e.g., money, people, equipment) by an organization directly to an event, cause or activity in exchange for a direct association (link) to the event, cause or activity” (Sandler & Shani, 1989 as cited in Lee, Sandler, & Shani, 1997, p.162). Brands look to sport sponsorship to serve one or more of the brand’s media, marketing, and corporate objectives. As brands continue to expand sport sponsorship, it is important to understand why and how sport sponsorship is selected, activated and evaluated.

Previous research on sponsorship, specifically sport sponsorship, covers an array of different topics. A large body of sport sponsorship research literature concentrates on sponsorship effectiveness and behavioral intentions. Strongly related to sponsorship effectiveness, sponsorship studies have incorporated behavioral methodologies to see whether the sponsorship affects consumers’ purchase intentions. Most studies use some type of recall measure to quantify return on investment for the brand. However, sponsorship is far more complicated than a simple equation that correlating impressions
to purchase intentions.

**Sponsorship Objectives**

The sponsoring company often defines sponsorship goals and objectives based upon what the company wants to accomplish with the sponsorship. Sponsorship objectives appear to be evolving beyond traditional marketing objectives. Walliser (2003) states,

> Overall, enhancing image and increasing awareness for brands and/or companies have traditionally been the most important sponsorship objectives. However, variance of sponsor objectives is large and depends on many specific factors, such as sponsorship area and activity as well as sponsor industry and company size (2003, p.11).

Companies are using sponsorship in different ways to maximize the investment. There is some literature suggesting that companies are finding alternative objectives beyond increasing awareness. Pope and Voges (2000) state that sport sponsorship objectives fall into three categories “a) media objectives (e.g., achieving cost effectiveness or reaching target markets) b) marketing objectives (such as brand promotion, generating purchase intention, or generating a sale), and c) broader corporate objectives (which are principally image based)” (p.96). In the past fifteen years, trends show companies veering away from media objectives as primary sponsorship objectives. “Significant relationships were found in the research between an intention to purchase a company’s product and a) a belief that a company sponsors a sport or sports, (b) the company’s corporate image, and (c) the brand itself” (p.100).

Despite different terminology for sponsorship objectives, sport sponsorship is used to meet at least one of these objectives: cognitive, affective, behavioral, or corporate
(Kinney, 2006). Cognitive objectives attempt to affect “the consumer’s ability to recognize, recall or otherwise associate official sponsor brands with sports events” (p. 302). Affective objectives attempt to influence the consumer’s attitude towards the brand or event. Kinney (2006) notes, “perhaps one of the most noted attitudinal effects of sports sponsorship is a halo or gratitude effect” (p. 302). The halo effect is a consumer bias toward a brand resulting from a previous experience. It can be subconscious, and the individual may be completely unaware of the preference. The consumer assumes good things about a product as a result of the halo effect. Often, companies successfully create halo effects through sponsorship. As Meenaghan (2001) noted,

> Given that consumers perceive sponsorship and advertising differently in terms of processes and outcomes, it appears that consumer receptivity to these two alternative methods of marketing communications also varies. In effect, consumers appear to receive sponsorship communications in a halo of goodwill, which is generated by factors such as the perception of benefit, the subtlety of the message, and the disguised commercial intent of the communication. The effect of this halo of goodwill is that sponsorship communications appear to encounter lowered consumer defense mechanisms (p. 101).

Corporate objectives are created to improve the sponsoring company’s image. For example, if a company distributes football game tickets to all of its employees, then the company is attempting to improve company culture as its corporate objective. Behavioral objectives focus on affecting consumer behavior. The most sought after behavior change is to increase the consumer’s intent to purchase the sponsoring brand. Research has shown a large amount of discussion about general objectives; however, there is very little evaluation or follow-up to see if the objectives were met (Kinney, 2006).

Wakefield, Becker-Olsen, and Cornwell (2007) examine the ability to recall the sponsor across three different sponsorship levels to see whether the different levels affected the sample’s recall. Their findings revealed that companies with strong brand
presence outside of the sponsorship could benefit from a cumulative effect. The data reflects that sponsors with both prominence and relatedness can achieve the same impact as the top sponsorship level without spending at that higher level, which could influence the brand’s decision to purchase a sponsorship. When the sponsor is well known and has a strong association to the sport or event, the sponsor can capitalize from that and not have to spend as much to realize the same benefit. For example, an internationally known tennis apparel company sponsoring Wimbledon, a major tennis championship, will probably have a better recall rate than a pizza company brand sponsoring the same event.

**Sponsorship Selection**

The organizational buying process can be defined as “the decision-making process by which formal organizations establish the need for purchased products and services and identify, evaluate, and choose among alternative brands and suppliers” (Webster & Wind, 1972, p.2 as cited in Arthur, Woods & Scott, 1997, p.224). Within sport sponsorship, the decision-making process can vary greatly among organizations with a variety of components that can have an affect. The selection criteria applied to choose a sponsorship activity are long and dependent on the company (McCook, Turco, & Riley, 1997). Hutt and Speh (1987) concluded selecting sports sponsorship was a mixture of “(a) multiple buying influences, (b) buying motives, (c) technical complexity, (d) time lags, and organizational diversity” (as cited in Arthur, Woods & Scott, 1997, p. 224). From looking at general purchasing behavior, “distinct parallels can be drawn between the sport sponsorship procurement process and in organizational purchasing behavior” (p.224). Although parallels and associations can be drawn, there is a lack of
specifics.

Typically, organizations receive hundreds of unsolicited requests for sponsorship annually. In 2009, North American companies spent $16.51 billion in sponsorship, and that was during the height of the recent recession (Sponsorship.com). Even though sponsorship is the fastest growing area of marketing communication, there is very little knowledge of the corporation’s selection process. Arthur, Scott, and Woods (1997) found some sponsorship worksheets to organize the selection process. However, they found that none of the worksheets “detail the actual processes of corporate decision-making with regard to the acquisition of sport sponsorship properties” (224).

Arthur, Woods, and Scott (1997) developed the Sports Sponsorship Acquisition Model. They found that the “sports sponsorship-buying center,” the sponsorship decision makers within an organization, differ across industries (p.224). Thus, they concluded that the model could only provide a basis for further scholarly research. Similarly, Wallier (2003) found that in the United States the level of the sponsorship decision maker can depend on the decision maker’s experience and familiarity with sponsorship.

**Sponsorship Effectiveness Evaluation**

Similar to other marketing communication strategies, it is difficult to directly measure how sponsorship initiatives influence brand sales (Marshall & Cook, 1992; Meenaghan, 1991, as cited in Kinney, 2006.) Therefore, the sponsorship selection process and sponsorship goals are crucial for the evaluation process. Amis, Slack, and Berrett (1999) contend that the firm must utilize the sponsorship as a competitive advantage for it to be a successful partnership.
Sport sponsorship has been shown to be an effective tool with which to alter and enhance a company’s image and reputation. Consequently, we believe that sport sponsorship should be considered an important resource which can help companies to secure a position of competitive advantage. However, for any advantage thus gained to be sustainable we contend that the sponsorship on which the advantage is based must be developed into an area of distinctive competence within the firm (p. 251).

Therefore, indirect cognitive effects variables or affective variables are often used to measure and evaluate the sponsorship’s performance. For example, some cognitive effects variables are brand recall, brand recognition, and brand awareness. Brand preference, brand image, or brand position are classified as affective variables, though research shows companies do not consider evaluation important when selecting an event (Kinney, 2006).

Media audits have been used as a form of measurement to evaluate the sponsorship’s success. A media audit is an unbiased examination of how much financial benefit the brand received through media exposure resulting from the sponsorship investment (Kinney, 2006). If the value of the media coverage gained from the sponsorship exceeds the initial investment for sponsor rights, the sponsorship might be considered a success. However, the media audit is extremely limited. It can only assess media coverage objectives. The audit does not address corporate or marketing objectives. Also, assessing media exposure value can be somewhat speculative and unreliable (Kinney, 2006). Post-event surveys are also frequently used to gather information and measure the effectiveness of the sponsorship. Depending on the level of sophistication of the survey, surveys can provide a measure for any of the three main areas: corporate, marketing, and media objectives.
The Multimedia Rights Model

A new business model for managing and marketing collegiate athletic media rights developed in the 1990s -- the creation of multimedia contracts that included distribution of sports play-by-play broadcasts to regional or statewide networks. Prior to the multimedia rights holders, college athletic sponsorship did not have much consistency. Each school managed its athletic sponsorship rights differently, and frequently different media forms were managed differently within one university’s athletic program. For example, the signage rights and game-day program advertising might be sold by two different organizations within one school.

Outsourcing functions is a common solution in general business, but only in the past twenty years has it become a common practice in American collegiate athletics. According to Li and Burden (2002), “more than one half of all NCAA Division 1-A athletic programs have outsourced some or all of their marketing operations and rights to a growing number of nationally prominent outsourcing agencies” (p.125). Outsourcing simply means purchasing services from an external organization instead of using internal resources to conduct the task (Bulter, 2000). Outsourcing can provide a competitive advantage by accessing highly specialized external resources. The increase in commercialization of collegiate athletics has driven the outsourcing movement, largely a result of the intense competition among the largest programs, along with pressures to be financially successful and profitable. Multimedia contracts may require the rights holder to be involved in many different aspects of athletic department marketing -- everything from selling ads for game day events to coaches’ endorsements (Bentley, 2002). The holistic approach to managing collegiate athletic rights gives the sponsor and athletic
department more partnership opportunity. Multi-million dollar rights fees are often negotiated with major universities (McGuire, 2006).

IMG College and Learfield Sports have emerged as the multimedia industry’s leaders. Together the two companies hold contracts with more than 140 collegiate institutions, conferences and associations (imgcollege.com, 2010; Learfield.com, 2010). As of July 2010, IMG acquired International Sports Properties (ISP) to make it the largest multimedia rights holder in the industry. The Wall Street Journal reported the acquisition as valued between $80 million and $100 million (imgworld.com, 2010). The purchase significantly alters the multimedia rights holder marketplace. As Murat and Smith put it in Street&Smith’s Sports Business Journal,

Sources familiar with the deal say the merger will provide the strength in numbers required to compete for national sponsorships against the professional sports leagues. Those opportunities did not exist when IMG College stood alone with 19 schools on its roster (imgworld.com, 2010, para. 11).

Dan Guerrero, director of athletics at UCLA and chair of the NCAA’s Men’s Basketball Committee, commented on the ISP/IMG College merger and the future of collegiate media rights. “ISP has done a magnificent job for the Bruins, but this combination will create an even stronger team and should open more doors to potential national sponsors interested in college sports marketing” (imgworld.com, 2010, para. 8).

The dramatic shift in how collegiate athletics rights are managed and sold completely changes how sponsors see a potential partnership with a school. Previously, most schools managed athletic media rights in-house and different media availabilities were sold separately. For example, before the advent of multimedia rights, a potential sponsor would have to contract with several vendors. Arena signage might be brokered by one company representing these opportunities, while a different company represented
radio broadcast rights. Game-day programs might be sold by the company with printing rights, while in-game announcements were marketed by another firm. With a multimedia rights holder, all these opportunities can be customized to meet the sponsor’s needs by contracting with a single vendor. Also, the multimedia rights holders have an opportunity to package multiple schools and organizations to sell to potential sponsors. A brand can work with the multiple rights holder to contract with a single school, such as UA, along with any other sports programs the rights holder represents. If a sponsor brand is interested in several SEC teams, for example, opportunities can be bundled together and prices negotiated with one vendor, rather than dealing with multiple schools. Custom packages can be created across leagues and schools. A sponsor could buy a package with the top 10 football schools in one contract. Schwartz writes, “the model is the same blueprint the National Football League used for decades to create a billion-dollar franchise” (Schwartz, 2007, para. 1).

Although multimedia rights holders are a fairly new concept within collegiate athletic sponsorship, they offer many advantages for colleges and universities. Similar to outsourcing in other industries, the multimedia rights holder offers expertise in a specific function. Also, they have access to other schools the rights holder has under contract. The access to other on-site multimedia rights holders provides guidelines and frameworks for pricing (Smith, 2010). For example, if the University of Alabama and the University of North Carolina have contracts with the same multimedia rights holder, the two schools’ on-site agencies can share information and pricing. Inventory can be compared and contrasted among schools. Because of expertise and access to other schools, account
executives are knowledgeable about market value of the conventional and unconventional sponsorship inventory.

Multimedia rights agreements also offer the contracting school a level of financial security. Multimedia rights holders assume all the financial risk. If there is a bad year, the rights holder absorbs the negative impact. The terrorist attacks of September 11, 2001 depressed the market for college sports event sponsorship. However, colleges that were under contract with multimedia rights holders still received the guaranteed money. Also, multimedia rights parent companies can negotiate large national contracts with sponsors because of established relationships from prior deals. The larger parent companies have multiple schools under contract, which provides them with bargaining power with the larger sponsors and to some extent with the regional sponsors. The college is ensured the best contract on the market in exchange for contracting its media rights (Smith, 2010).

Multimedia rights contracts provide advantages to the sponsor as well as the schools and rights holder. National sponsors have the advantage of negotiating similar contracts with many different schools. Schools with the same parent company rights holder will have similar contract processes, making it easier for national sponsors to negotiate multiple deals. Also, the on-site multimedia rights holder acts as an on-campus liaison for the sponsor brand (Smith, 2010). If a fast-food company wants to parachute fake cows into the stadium right before kick-off, the on-site brand liaison can coordinate the logistics with the school’s game day operations team.

There are also advantages to the on-site media rights holder and its parent company. At the University of Alabama, CTSM is the on-site media rights holder, and Learfield is the parent company. The contracts enable Learfield to build its advertising
sales portfolio and offer more inventory to sponsors. It gives Learfield a chance to sign a multi-school deal with a national sponsor. Also, more inventory equals more potential sponsors (Smith, 2010). Early in the business, there was a large profit margin because the value had not been realized (McGuire, 2006). Now, the profit margin has decreased somewhat, but there are more schools under contract.

The marketing communication opportunities represented by the multimedia rights holder comprise the firm’s inventory. Contracting firms negotiate with the school for inventory control. Therefore, the amount of inventory managed by the rights holder may vary from school to school. Typically, schools retain some marketing rights in-house. Inventory retained by the school and inventory represented by the rights holder will be detailed in the formal contract between the school and the rights holder.

**Multimedia Rights at the University of Alabama**

The current multimedia rights management firm contracted by the University of Alabama (UA) is Crimson Tide Sports Marketing (CTSM). Prior to 1998, UA did not have multimedia opportunities for sponsors. Bert Bank’s football broadcast, *Crimson Tide Sports Network*, was the only opportunity for sponsors to associate with UA athletics. Learfield Sports, in a joint venture with IMG (previously ISP), co-manage CTSM (Carlton, 2009; Learfield.com, 2010). The original contract was signed in 1998 between the University of Alabama and Learfield and ISP (currently IMG College). CTSM offices were located about 5 miles from campus. Now, CTSM’s offices are located in Bryant-Denny Stadium on the UA campus in Tuscaloosa. The original contract expired at the end of the 2002 athletic season (Crimson Tide Foundation/Crimson Tide
Sports Marketing Rights Agreement, 2002). Learfield Sports holds majority interest with 75 percent. Currently, CTSM is in a 10-year deal with UA that began in 2008 and will expire on June 30th, 2018. CTSM offers a multitude of marketing and media sponsorship opportunities, including radio broadcasts, live events, television, sports venue signage, internet, print, branding, promotions, game sponsorships, coaches’ endorsements, concessions opportunities, marketing, and licensing (Smith, 2010).

Within the past 3 years, CTSM became one of the largest revenue producing properties in the country. CTSM successfully added more opportunities for sponsors resulting from its holistic approach to managing multimedia rights. UA’s football program is ranked as one of the top five most valuable programs in the nation. The most recent figures show UA’s football program is worth $92 million (Schwartz, 2009). A large percentage of that comes from lucrative television deals. In 2008, CTSM was one of the first multimedia rights holders to add concessions to its inventory. CTSM produced $13.3 million in sport sponsorship money alone in the 2009-2010 academic year (Learfield.com, 2010). By merging the marketing opportunities, CTSM can customize packages for potential sponsors and better meet the sponsor’s business needs. CTSM represents sponsorship opportunities for all 19 of UA’s men and women’s varsity sports which includes baseball, men’s basketball, women’s basketball, men’s cross country, women’s cross country, football, men’s golf, women’s golf, gymnastics, rowing, soccer, women’s softball, men’s swimming and diving, women’s swimming and diving, men’s tennis, women’s tennis, men’s track and field, women’s track and field, and women’s volleyball (rolltide.com, 2010).
System Theory

Over time, if interactions between individuals, groups and organizations can be classified as orderly, this order becomes the premise for identifying social systems at work (Loomis & Dyer, 1976, as cited in McGuire, 2006). System theory originally was used to explain mathematical and scientific phenomena. Ruben and Kim (1975) point out that human organizations and institutions can also fulfill the definition of systems. As opposed to mathematical and scientific systems, they classify human organizations as a part of a “soft” system theory: “according to a ‘soft’ definition, a system is a portion of the world that is perceived as a unit and that is able to maintain its ‘identity’ in spite of changes going on in it” (p.46).

System theory has been used in a variety of academic disciplines. Von Bertalanffy (1972) used system theory to study biology. System theory postulates have been used to describe human communication processes. Krippendorff (1975) studied system and non-system approaches to communication using several different systems concepts to analyze modes of inquiry. Krippendorff classifies inquiry modes into three areas: axiomatic, scientific, and praxiological. The axiomatic mode produces formal systems that have mathematical properties and homeomorphisms, a map between two sets that preserves relations between elements. The system’s validity criterion is assessed with consistency, and the likely system concept is mathematical object. The scientific mode produces models of particular portions of the real world. Consistency and predictability are the validity criteria. The likely system concept for the scientific mode is “real objects that are describable in a system language and thereby subject to tests” (Ruben & Kim, 1975, p.144). The praxiological mode produces designs for material compositions, plans or
strategies for purposive actions on an environment of interacting parts. Consistency, predictability, and utility are the validity criteria. The likely system concept will use real objects that are describable in a system language and at least to some extent controllable or reproducible (Ruben & Kim, 1975).

Fisher (1975) described communication processes, arguing that communication is multiple and reciprocal, rather than unilateral and unidirectional. Similarly, Thayer (1968) emphasizes the “informing” (p. 137) function of communication. He suggests “the social origins of human artifacts and knowledge, and in so doing emphasizes the notions of co-determinacy, mutual causality, and interdependency so central to general system theory” (Ruben & Kim, 1975, p. 137).

System theory has also been applied to mass media operations. McLeod and Blumler (1987) suggest that various levels of mass media can be studied via system theory, “such as a specific media organization (e.g., an individual newspaper), a set of organizations within a medium (e.g., studying television networks), or across media (e.g., examining news coverage by newspapers versus cable television)” (McGuire, 2006, p. 57). Covington (1997) applied system theory to research local television management practices in a multichannel marketplace. System theory allowed “for the application of similar terminology… in his research. As a result, Covington believes the system theory aided the observation process and provided clarity for his findings” (McGuire, 2006, p. 57).

McGuire (2006) used system theory to research the University of Missouri athletic department’s multimedia rights contracts. The University of Missouri was Learfield Sport’s first contract in 1972 (Learfield.com, 2010). In fact, this pairing
represented the first multimedia rights contract in collegiate sports. McGuire suggests four major system theory principles justified using system theory to investigate the relationship between multiple parties in a sports multimedia rights agreement. McGuire explains, “One tenet [principle], nonsummativity, suggests there is greater value in examining a phenomenon holistically through the interaction of its components rather than an analysis of each component in isolation” (p.56). The second principle “states system components are both structurally and functionally interactive” (p.56). Structural interaction describes how the particular system operates from top to bottom including “status of a particular component” or the “physical proximity of the system’s components” (p.56). Functional interaction describes how a particular system and its components affect each other. Functional interaction explains the actions and reactions in a system. McGuire also stated that structural and functional interaction could be studied on an “evolutionary basis,” seeing how time affects interaction among the system components (p.56).

A third key principle of system theory is that “system boundaries can range from being opened to closed, depending on the nature of a particular system” (McGuire, p 56). Open systems allow for the “exchange of resources between the system, its components, and the surrounding environment” (p.56). A system isolated from its environment is called a closed system (Ruben & Kim, 1975). McGuire’s fourth major principle assumption is that “systems exist within a hierarchical organization” (McGuire, 2006, p.57). Simply, in every system, one or more functions are valued more than other functions. These functions must be prioritized if the system is to operate efficiently. Hierarchy “will denote a ‘level-structure’ or a ‘set of super-imposed modules, so constituted that the components of modules at one level are modules belonging to some
lower level” (p.73). The set of super-imposed modules can be a micro-system that works as one part of the larger system. With the exception of the most basic level, there will be super-imposed modules that function as systems themselves and function with other super-imposed modules to create the entire system. The super-imposed modules will be arrayed in a hierarchy with multiple levels of micro systems that ultimately create one large system.

McGuire (2006) observed impact within the multimedia rights holder system resulting from interactions between the control, network distribution, and advertising components. The control component signifies entities that govern the system’s operation. The network distribution component “represents the outside party (or parties) that acquires multimedia rights (p.58)” from the school and executes the contract. Advertising can be defined as entities seeking association with the school through advertising heard or seen on the official sports broadcast, as well as purchasing other forms of advertising associated with the school’s sporting events.

These three components (control, network distribution, and advertising) function to create revenue through their interaction in the system. McGuire (2006) reported a significant influence between the control-network units and the network-distribution-advertising units. McGuire states, “this study found that three of the components (control, distribution, and advertising) enjoyed both the greatest structural and functional interaction as a result of the multimedia rights agreement” (p. 66). He also highlights that multimedia rights agreements remove financial risks from the school while transferring these risks to the rights holder.
McGuire identified four consequences of the University of Missouri multimedia rights agreement. First, he identified benefits for schools that have multimedia rights contracts. In addition to the significant financial benefits, the University of Missouri still maintains control over the selection of statewide announcers for network broadcasts. The University can exercise its control over the message as well. For example, it can prohibit messages from alcoholic beverages distributors. Second, the study revealed that multimedia contracts afford greater flexibility in marketing opportunities (McGuire, 2006). The larger multimedia rights inventory allows for customized packages offering a sponsor more options for communicating with its target market. Third, the interaction between control, network distribution and units is greater than in traditional broadcasting contracts (Lardinoit, & Quester, 2001; McGuire, 2006). As a result of the revenue-sharing conditions in the contract, the control and network distribution components become partners striving for the same goal. The distribution component and advertising component also increase in interaction because of the combined sales and marketing approach. Fourth, a long-term relationship between the school and network distributor can positively influence the success of the contracts. The business relationship between the school and the multimedia rights holder strengthens over time because with a mutual goal, the two parties are always seeking to improve the working relationship. Over time, the relationship refines itself, and a comfort level develops between the two parties that strengthens the partnership (McGuire, 2006).

**Research Rationale and Hypotheses**
While 40 years have passed since the University of Missouri and Learfield Sports pioneered multimedia rights holder agreements between a collegiate sports property and a private vendor, UA’s multimedia rights history is much shorter. The first UA multimedia rights contract began in 1998. A second contract between UA, Learfield Communications and International Sports Properties was agreed upon in October 2007 with an effective date of July 1, 2008. This relatively brief contract period permits system theory research to explore how the working relationship and the rights holder system have developed and the changing nature of the system’s units’ interactions.

System theory suggests an observable structure comprising multiple components interacting with one another. The system’s labor and functions are divided between the different structural components. McGuire’s study found six components in the system “executing the multimedia rights contract, including control (as exercised by the University of Missouri), network distribution, advertising, audience, local affiliates, and announcing” (2006, p.66). Control, distribution, and advertising benefited the most from the structural and functional interaction as a result of the multimedia rights agreement.

Of the six major components McGuire identified, the most frequent interactions occurred between the control, distribution, and advertising components. As a result the following research questions and hypotheses will be addressed.

**RQ1**: Are the same six components identified by McGuire observed in the UA/CTSM system?

**H1**: In the UA/CTSM relationship, repetitive interactions will be reported between the control, distribution and advertising components.

**H2**: The structural parameters of the UA/CTSM working relationship can be observed and described.
System theory suggests hierarchy. Since labor is divided between structural components, oversight is required to manage the system for maximum efficiency. This establishes a chain of command with power accumulating at the top of the chain.

**H3:** Hierarchical structures can be observed and identified for both UA and CTSM, as well as reporting channels between the parties.

System theory suggests structural and formal interactions change over time “on an evolutionary basis, judging how the passage of time has affected interaction among system components” (McGuire, p56), suggesting the following hypotheses:

**H4:** Structural interactions will have changed between the two contract periods.

**H5:** Formal interactions will have changed between the two contract periods.

An open system theory assumption suggests information or other inputs to improve the system may be introduced by any of the system’s components.

**H6:** The UA/CTSM system operates as an open system allowing multiple parties to introduce inputs with the intention of altering the structural and/or functional components to benefit the party introducing the input.

**RQ2:** Does the multimedia rights marketing model offer UA any benefits beyond the financial benefits?
CHAPTER 3

METHODS

A case study is a social science research method that answers the “how” or “why” in a contemporary phenomenon that has some real-life context (Yin, 1984). Yin suggests case studies are appropriate when context is important to understanding theories or testing hypotheses, but the researcher cannot manipulate events for an experiment. A case study also lets the investigator examine the phenomenon from a more comprehensive view. Yin (2003) explains, “the case study method allows investigators to retain the holistic and meaningful characteristics of real-life events—such as individual life cycles, small group behavior, organizational and managerial processes, neighborhood change, school performance, international relations, and the maturation of industries” (p.4). Flyvbjerg (2006) argues, “the advantage of the case study is that it can ‘close in’ on real-life situations and test views directly in relation to phenomena as they unfold in practice” (p.235). Flyvbjerg continues, “the closeness of the case study to real-life situations and its multiple wealth of details are important in two respects” (p.223). First, it enables the “development of a nuanced view of reality” (p.223) and second, it allows the investigator to develop skills in the research process. The “proximity to reality,” (p.236) which the case study permits, allows for a greater understanding of the phenomenon. Therefore, the investigator can let go of any negative “preconceived notions and theories” (p.236).

Case study critics argue that generalizations cannot be made and question the method’s reliability and validity because the study focuses on a single or small number of
cases (Stake, 1978). However, Stake (1995) have outlined techniques for organizing and conducting case studies to overcome some of these objections. Yin (1984) argues that a case study is an exhaustive research strategy and researchers should use the scientific method design.

In studying the multimedia contracts at the University of Missouri, McGuire used the case study method because it allowed him to “encompass a wide range of phenomena from a group of people” (p. 58). It also allowed for several data collection methods. Since this study expands on McGuire’s findings, the case study method provides an opportunity to make comparisons between the two studies.

This UA/CTSM system research is structured as an explanatory case study. Yin (1984) outlines three primary case study types: exploratory, descriptive, and explanatory. It is best to conduct an exploratory case study when the goal is “to develop pertinent hypotheses and propositions for further inquiry” (Yin, 1984, p.17). The exploratory method focuses primarily on the “what” questions (Yin, 1984, p.17). The descriptive case study “traces the sequence of interpersonal events over time, describes a subculture that had rarely been the topic of previous study” (Yin, 1984, p.15). Explanatory case studies attempt to answer the “how” and “why” (Yin, 1984, p. 18). In this case study, the explanatory research strategy is best because it examines operational links needing to be traced over time, rather than mere frequencies or incidence” (Yin, 1984, p.18). A large portion of this research investigated how UAI/CTSM relationship has evolved, and the explanatory strategy explores why the relationship exists and how it continues. This case study will detail the partnership between UA and its multimedia rights holder, CTSM. A better understanding of the current multimedia rights partnership will provide an
understanding of future multimedia collegiate contracts along with how they impact the university community. Also, this study will attempt to support previous findings in McGuire’s study (2006) by comparing and contrasting UA operations with the University of Missouri’s.

The study’s structure is an embedded, single case design. Yin defines a single case study as “analogous to a single experiment” (1984, p.42). As an embedded, single case, the study will be broken down into multiple units of analysis. The primary unit of analysis will be semi-structured interviews with key CTSM personnel and UA contract managers. Semi-structured interviews were conducted with an open framework producing focused, conversational, two-way communication. The interviewer followed a guideline but was able to deviate from the guide when appropriate. Not all questions were designed and phrased ahead of time. Some questions were generated during the interview, allowing flexibility for both the interviewer and the respondent. A recording device captured the full interview, if the interviewee permitted. Most of the interviews were conducted in person at a location convenient to the interviewee, preferably the interviewee’s office.

The sub-units of analysis were examining contracts, collateral documents, marketing materials, archived records, and direct observation. The two contracts outlining the UA/CTSM relationship are publicly available. They were obtained from state records. CTSM provided other contracts, collateral documents, and other marketing documents for review.

Interviews were conducted with informants given working in control and network distribution units. On the multimedia rights holder side, Learfield Sports Senior Vice
President Manager for the Atlantic Region Steve Gowan, Crimson Tide Sports Marketing General Manager Jim Carabin, and half of CTSM’s account executives were interviewed. Account executives were selected based on differing years of experience. Bryant Bruce is the newest account executive added to the CTSM team. Jay McPhillips, a CTSM account executive selling sponsorship for five years was interviewed. Tom Brooks is informally recognized as the senior CTSM account executive, and he was the third account executive interviewed. Gowan oversees all operations and properties for the company’s Atlantic region including CTSM. The CTSM general manager is the senior person on-site for CTSM. He manages all daily CTSM operations and reports to Gowan. CTSM account executives are the active sales force reporting to the CTSM general manager (Learfield.com, 2008).

For UA, Director of Athletics Mal Moore, Vice President of Financial Affairs and Treasurer Lynda Gilbert, and Associate Athletics Director for External Operations Jon Gilbert were interviewed. The director of athletics oversees all operations pertaining to athletics at UA and signed both contracts with CTSM. The vice president for financial affairs and treasurer “has full responsibility for the Office for Financial Affairs including investment management, budgeting, financial accounting and reporting, and human resources. She also oversees the auxiliary services, land management, business services, maintenance, construction, public safety, and risk management areas” (Ua.edu, 2009). The associate athletics director for external operations is UA’s liaison to CTSM.

For validity purposes, the interviews were examined along with the documents and current literature. Therefore, the credibility of the research was established through “data triangulation (multiple sources to corroborate evidence)” (McGuire, 2006, p.58).
The study was based on qualitative research rather than quantitative research. Qualitative observation “identifies the presence or absence of something, in contrast to ‘quantitative observation,’ which involves measuring the degree to which some feature is present” (Kirk & Miller, 1986, p.9). Qualitative research should be considered a data collection strategy, not a data analysis strategy. If the research is conducted with insight, rigor and defensible method, the conclusions are as valid and reliable as results from method. “Qualitative research has always retained the proper ideals of hypothesis-testing research—sound reasoning and the empirical risking of theory” (Kirk & Miller, 1986, p.17). Kirk and Miller stress that there is a “truth” to anything that is observed. To expand, there is an authentic motive, relationship, and consequence of all human and non-human activity, and this truth can be revealed through research. To accept all methods and theories as equivalent is a fallacy called “positivism” (Kirk & Miller, 1986, p.14). According to Kirk and Miller, this fallacy has been more extensive in qualitative research than quantitative research because qualitative research’s validity and reliability standards are not understood fully. Qualitative research is most likely to yield valid, reliable conclusions and suggest appropriate observation methods and tactics if it is theory driven. Theory provides the qualitative researcher with:

- A foundation for hypothesis development,
- Appropriate variables for observation,
- Relationships between variables,
- Focus for the researcher's efforts,
- A framework for analysis and reporting.
Observation and analysis are always subjected to demands for reliability and validity, independent of the method used to collect or analyze the data. Reliability “is the extent to which a measurement procedure yields the same answer however and whenever it is carried out” (Kirk & Miller, 1986, p.19). Validity “is the extent to which it gives the correct answer” (Kirk & Miller, 1986, p.19). With qualitative research, reliability and validity can be hindered by:

- Assuming theoretical and methodological equivalency,
- Expectancy bias,
- Lack of uniformity in data collection.

Kirk and Miller (1986) highlight two qualitative research reliability checks bringing credibility to qualitative research results. First, contextualization adds to the reliability of the research. The researcher needs to provide sufficient detail for understanding the context in which the information was collected. In this case study, a detailed summary describes all interview settings, including location, time, date, informant’s knowledge of the study, and full disclosure of any relevant information. Second, there needs to be a reasonable standardization of method. In this case study, all interviews were conducted in the same manner. Fields notes were systematically taken and subject to review. Also, data triangulation was used to verify the documents and interviews.

Kirk and Miller (1986) describe three validity checks for qualitative research. First, observation techniques appear valid if there appears to be a high degree of correspondence between the measure and the theoretical concept. This is often called apparent validity. Second, there is instrumental validity. This checks if the measure
produces observations that are consistent with other accepted, valid measures. Third, theoretical validity can also provide a check for qualitative research. Theoretical validity measures conclusions with the relationships or outcomes suggested by the researcher’s primary theory. In this case study, system theory drives the research. This case study will also be compared with McGuire’s conclusions also derived from qualitative system theory research in a multimedia rights holder system.

Analysis and interpretations

Data were analyzed using Strauss and Corbin’s grounded theory approach to qualitative data analysis (Strauss and Corbin, 1998b; Corbin and Strauss, 2008). The main reasons for choosing Strauss and Corbin’s grounded theory approach are:

- Grounded theory is rooted in sociology research, and considered to be helpful in explaining various social processes within the context they occur (Starks & Brown Trinidad, 2007).
- Grounded theory seeks to produce a theory that fits the situation, aids understanding, and guides action and practice (Cooney, 2010; Strauss & Corbin, 1998; Corbin & Strauss, 2008)
- The more rigid and explicit analysis guidelines are seen as helpful, as opposed to being restrictive.

Following the procedures prescribed by Corbin and Strauss (2008), data analysis began with coding the transcripts of each interview. Data coding of and categorization were done manually, without the assistance of computer software. The coding process involved three steps. The first step was open coding, whereby each line of the interview
was examined independently until themes and characteristics emerged. Once various aspects of the UA/CTSM relationship processes began to emerge, analysis proceeded to breaking down each interview paragraph by paragraph. Each statement was labeled, sometimes with multiple labels depending on how many characteristics were conveyed. The labels were derived directly from the text of the interview transcript (Corbin & Strauss, 1998, pp.101-121). The next step was axial coding, which is the process of taking the labels and organizing them into categories and subcategories to begin building a theory based on the information and determining the relationships between each category (Corbin & Strauss, 1998, pp.123-142). The axial coding was made easier by the fact that a description is being built through the interview process. Therefore, characteristics described by a member of athletics marketing were categorized as “marketing,” and so on. However, it was necessary to identify overlaps between the different interviews along with repeated categories. The final step was selective coding, which is where categories are further organized and integrated into a central explanatory concept (Corbin & Strauss, 1998, pp.143-161).

The process of establishing labels, writing memos and preparing code notes began as soon as the first interview was transcribed. Transcription was completed as soon as possible following each interview to ensure the discussion was fresh in the principal investigator’s mind, and to make sure that any remarks made after the audio recorder was turned off that could affect interpretation were noted. Writing theory memos did not start until all transcriptions were completed and relationships could be established.

During this process, the principal investigator traced back various concepts representing elements of system theory to the unit from which they arose: control,
network distribution and advertising. Memos were written to process information and identify additional concepts in order to provide a detailed description of UA and CTSM’s operating relationships. After the concepts were identified, the principal investigator conceptualized the relationship between UA and CTSM. To validate these findings, a second coder trained in the Corbin and Strauss method assisted by reviewing the transcript coding scheme to assure coder reliability. The interviewees were also invited to review the early work to make sure the respondent was accurately represented (Corbin & Strauss, 2008).
CHAPTER 4

RESULTS

Over the course of this research, in-person interviews were conducted with five employees of Learfield/IMG (CTSM) responsible for UA’s athletic multimedia rights. Three employees of the University of Alabama were also interviewed. One UA employee, Athletics Director Mal Moore, responded via email. In total, approximately two and half hours of one-on-one focused interviews took place and were transcribed for qualitative analysis. Six hypotheses and two research questions were developed to examine the relationship between UA and CTSM, and the Corbin and Strauss (2008) three-step method of qualitative analysis was used to analyze the data. A description of the UA/CTSM working system emerged. Once the descriptions of the multimedia rights holder and university were established, the system’s characteristics, organization and function were examined with system theory to see how the theory was observed in the UA/CTSM system.

The first research question asked if the UA/CTSM system reflected the same six components (control, network distribution, advertising, audience, local affiliates and announcing) McGuire (2006) identified in the University of Missouri case study. According to McGuire, the control, distribution, and advertising components exhibited the most frequent structural and functional interactions. Similar results are observed in the UA/CTSM system. UA maintains ultimate control (Crimson Tide Foundation/Crimson Tide Sports Marketing Rights Agreement, 2008). Since the control component
represents the entity or entities governing the system’s operation, anytime one of the CTSM/Learfield informants mentioned UA with regards to approval or participation in the process, the remark was labeled with “control” in the label transcript. If a UA informant indicated any UA interaction or participation in the process, it was also labeled “control.”

UA’s control function was observed throughout the interviews with CTSM and UA informants. UA maintains oversight of the multimedia rights agreement day-to-day and from a big-picture perspective. Associate Athletic Director for External Operations Jon Gilbert explains how UA has active, day-to-day control over CTSM.

Before and during the process. He (Carabin) does call to check on if we are comfortable with them (CTSM) moving forward. Another example would be a casino. “Are we willing to take a casino on as a sponsor, and here is what they would expect in return.” So he and I would discuss something like that. We also discuss during the process.

Even though CTSM owns and manages UA’s multimedia rights, the system keeps UA constantly involved in the decisions of who sponsors, how the sponsorship is executed, and what the sponsor communicates to the audience. Through the hierarchy that CTSM has in place, General Manager Jim Carabin (the local CTSM control representative) contacts UA officials frequently. Carabin explains,

With Jon, associate AD for external relations, I ask him any kind of questions that I have on the advertising side as far as a client is concerned or anything that we are trying to get approved. We also have day-to-day contact. I just give him information on sponsors.

According to the informants, the control component seems to be present at multiple levels. When dealing with controlling UA officials, the local CTSM general manager is in constant contact with either Associate Athletic Director for External Operations Jon Gilbert or Senior Associate Athletic Director and Chief Financial Officer Finus Gaston.
The control component is also present at the execution level. CTSM account executive Jay McPhillips explains his interaction with UA: “We work with the marketing staff on a daily basis with sponsorship activation elements, questions of possible sponsorship that are out there, what are our capabilities, what we can and cannot do.” Currently, the communication is mostly informal and situational. McPhillips said he suggested a weekly meeting.

I have actually proposed that we should hold sport specific meetings…well before the sport starts. Just to make sure that we are all on the same page. Internally with CTSM, we know some of the elements that the other AEs have pitched. To where we know if it is one specific promotion that four AEs are trying to sell, then we can communicate with each other to see who is the closest to closing the deal. We try to let the marketing department know about the promotion before we sell it. We try to keep them in the loop of promotion that we are selling. Just to help things run smoothly.

There seems to be constant dialogue between all levels of CTSM officials and UA officials, which supports McGuire’s assumption that the control and network distribution components have frequent interactions.

The network distribution label represents the outsourced agency that obtains the entity’s multimedia rights. The network distribution component represents CTSM in this case study. Similar to control labeling, transcripts were labeled with “network distribution” if the informant mentioned any CTSM interaction. The network distribution component is as present as the control component. Since the network distribution component represents CTSM, the component was present every time UA officials mentioned or alluded to the entity that holds UA’s multimedia rights. In regards to having a direct UA relationship with a sponsor, UA’s Gaston explains UA’s relationship with CTSM: “My interaction with them (sponsors) is primarily supporting CTSM. Jim will ask me to be involved in some discussions whether it is Golden Flake, Coke or whoever
it might be.” Again, in the system, the control unit monitors and supports the network distribution unit as network distribution with the advertising unit. When asked about interaction with sponsoring companies, UA Vice President for Financial Affairs Lynda Gilbert states, “No, that is all left up to CTSM.” As the network distribution component, CTSM is responsible for engaging and managing relationships with the sponsor brands and reporting back to UA, the control component. McGuire (2006) defines the network distribution component as the “entity that acquires the right to and executes the multimedia contract” (p. 59). Therefore, the network distribution component (by definition) is present in the UA/CTSM system.

The advertising label represents entities (sponsor brands) seeking association with the UA’s athletic programs. The sponsor represents the advertising component in this case study. The “advertising label was used when informants mentioned any of the sponsors or the sponsors’ marketing materials. Similar to McGuire’s (2006) study, the advertising component was observed in the UA/CTSM system. For example, CTSM Account Executive Tom Brooks explains his interaction with sponsors.

I don’t have a system where I call every client twice a week. I have a top 25 list. You want to keep a full pipeline of new clients, folks you have delivered proposals, but then also you want flush some folks. If it is not a fit. It is still a business-to-business, person-to-person relationship. Some folks feel bad and don’t want to tell you no. You almost have to push them to no. Usually, that is a big burden lifter. We call that taking people to no and that is important too. Because you don’t want to waste your time with someone who is not going to come on board.

The frequency of interaction between the CTSM account executive (network distribution component) and sponsor (advertising component) is dependent on the sponsor, the account executive, and event timing. Each CTSM account executive
described his own process for communicating with the sponsor. CTSM Account Executive Bryant Bruce describes his sponsor communication.

It just depends on the client. Some you can text message. I would never do that. I don’t think that is business formal. Some don’t care. They even text message me. Some might not care, but you are on that level yet. Some you might call. It just depends. They are all different. They are just like you or me. At first they might be all business, then I get to know them and they become more laid back. No, I don’t have any type of schedule. Obviously if you have a deadline approaching, you need to get in front of the client and get it closed. But if I am in Birmingham, I’ll try to go see them. I also like to send notes on different articles or announcing new inventory.

CTSM Account Executive Jay McPhillips makes communication with his sponsors according to their needs.

There has been a gradual shift even in the short time that I have been in corporate sponsorships sales. People are more and more reliant on email. A lot of time your initial contact is over the phone. It depends on their level of responsibilities. So email works better with their companies.

The advertising component was established in the UA/CTSM system and like the control and network distribution enjoyed a great deal of interaction within the relationship. The advertising component’s interaction is primarily with the network distributor. However, the control component (UA) interacts only upon network distribution’s (CTSM’s) request.

The audience component “acts as a form of commodity sold by the network distributor” to advertisers trying to reach the audience the university’s athletics attract (McGuire, 2006, p.59). The “audience” label was used anytime informants mentioned the UA athletics audience. Since this case study focused specifically on the UA/CTSM relationship, the audience component was not as prevalent in the interviews as some of the other components.
Local affiliates and announcing are the other two components McGuire highlighted. In this case study, the “local affiliates” label represents any of the broadcast distributors (radio or television stations). If the informant mentioned or alluded to any of the broadcast distributors, that section of the transcript was labeled with “local affiliate.” Again, since this study focuses on the UA/CTSM system, this component was mentioned less often than other components. The announcing component represents individuals involved in the production of the play-by-play sports broadcast. If the informant referenced any production personnel, the transcript section was labeled “announcing.” Similar to the audience and local affiliates components, the announcing component was not mentioned as often as the control, network distribution, and advertising components. The audience, local affiliates, and announcing units did not see as much interaction as the control, network distribution and advertising units. In a reference to pay-per-view television broadcast rights, CTSM Account Executive Jay McPhillips explains how pay-per-rights affect CTSM.

Pay-per-view is better for the rights holder. To the University, they either get money from the ESPN contract or get money on the rights holder side. The ESPN contract is a deal with the conference and then schools split the money from the conference. I don’t know the numbers to know if the school benefits from ESPN doing one more game than a pay-per-view. The school also benefits from the exposure. I know that has been a hot ticket item. I know it has been in some rights fees discussions. I would say it is initiated by both. We go to them with new inventory ideas, and they come to us with ideas. I think it is kind of both.

This portion of McPhillips’ interview was coded with three (audience, local affiliates, and announcing) labels because it involves all three components. The audience component can directly affect whether a game is pay-per-view or picked up by a broadcaster. Since local affiliates are local broadcast content distributors, pay-per-view can be defined as local affiliates because it broadcasts the event.
The announcing and local affiliates components were established once more in an interview with CTSM General Manager Jim Carabin.

Every property has a general manager. At CTSM, we also have a director of operations and sponsorship coordinator/auction manager and memorabilia store. We have five sellers that are with us, and we have six interns this summer. Kind of off to the side because they are not here in the office, the radio network is here. I forgot the director of broadcasting, Tom Roberts, who is here full-time. Also, the radio crew for football, men’s basketball, women’s basketball, baseball—we produce all those games as well. They report through me. Also, the concessions side of the business reports through me too.

This portion of the transcript was labeled with “local affiliates” and “announcing.”

CTSM Director of Broadcasting Tom Roberts is the liaison for all play-by-play announcing for all games and events. Therefore, the announcing component was established. The local affiliates component also ties into Brook’s position. He manages radio broadcasts.

Of the six components McGuire identified (2006), the most frequent interactions were reported between the control, distribution, and advertising components. After labeling the interviews, control, network distribution and advertising enjoyed the most benefit. Of the six components, control emerged 37.7 percent of the time. Network distribution and advertising and labels were next with advertising observed at 30 percent and network distribution at 27 percent. Audience was labeled 3 percent, and local affiliates and announcing both had 1.6 percent. The higher frequencies observed for control, advertising and network distribution could be attributed to these components’ abilities to impact the system’s revenue.

Generating revenue was identified as the system’s primary task. Learfield Sports Senior Vice President Manager for the Atlantic Region Steve Gowan, states, “We tell our properties your job is to nurture the school relationship with our partners (the athletic
department and the institution) and move the top line revenue number.” In addition to Gowan reporting generating revenue as the top priority, the reporting system in place at CTSM communicates revenue generation as the primary priority. CTSM account executives outlined a detailed sales process that concentrates on increasing revenue. CTSM account executives have a weekly phone call with Learfield’s Gowan, a weekly one-on-one meeting with CTSM’s Carabin, and a weekly sales report that is processed and sent from Learfield’s corporate headquarters. The weekly sales reports show the account executive’s progress toward reaching the annual goal. Jay McPhillips, CTSM account executive, described the extensive sales process.

Once a contract hits the book, we get a report that says this contract hit the book and this is your progress to your overall goal. Recently, they started doing reports showing percentage categories. We declare things in percentage categories. If you first pitch something to someone, they are in the 50% category. If you start exchanging specs and deadlines, then you may move them into the 60% category. They are 60% part of the start to finish sales process. If they ask you to put together a contract, then you could move them into the 70%. If they verbally commit, then they move to 80%. There is no 90%. You either close it or you don’t. 50, 60, 70, 80 are the four categories we put clients in. We declare on a weekly sales summary that we submit to Jim where all the clients are. Here is all the proposals pitched this week and meetings for this week. Here is what I have going on next week.

There appear to be thorough reporting procedures at CTSM ensuring sales are on track. McPhillips also explained the weekly reports from Learfield.

So, we submit all signed contracts by Friday of each week and by Wed/Thurs of the next week, Learfield sends us our reports stating where we are as a group, and also where we stand individually as sellers. Not only does the report show closed business, but it also shows what we have in our “pipeline” (likelihood to close being 50%, 60%, 70%, 80%).

To maintain the system’s equilibrium, each of these components must successfully achieve its economic goals. McPhillips goes on to say, “He [Carabin] has
such close tabs on our individual sales that he knows where we are almost on a daily basis.”


The first research hypothesis suggested that in the UA/CTSM system repetitive interactions will be reported between the control, network distribution and advertising components. Support for H1 was validated by multiple informants confirming interactions between these components. When informants were asked about their primary interactions with UA or CTSM employees, seven of nine informants responded with remarks relevant to advertising, network distribution and control. CTSM General Manager Jim Carabin described his professional relationship with UA: “With Jon
(Gilbert), associate athletic director for external relations (a UA administrator), I ask him any kind of questions that I have on the advertising side as far as a client is concerned or anything that we are trying to get approved.” Carabin is referring specifically to the system’s advertising component. Network distribution is referenced by noting that all messages disseminated by CTSM are subject to UA’s approval. Other respondents noted similar patterns. CTSM Account Executive Bryant Bruce explained how UA controls messages.

If we [CTSM account executives] have a question that needs to be approved, then he [Jim] will take it to them [UA officials]. Example: Can I have a client have their logo on will-call tickets? That is something that we don’t have the rights to per se, but it is something that we can generate revenue from and might save the University some cost. Jim will take that to them [UA Officials]. He [Carabin] usually has a list of things instead of always hitting them up. He will come back and say whether or not they are okay with it.

Carabin described the informal reporting that he does for UA officials.

If there is someone that has not advertised with us, I am supposed to let the University know. As far as the business side of the contract, Dr. Gaston is the person I report to. I also talk with Coach Moore and Dave Hart too. But as far as the business side, I say communicate with Finus [Gaston]. On the advertising side and radio network side, it is Jon [Gilbert].

Although UA outsources its multimedia rights sales, UA still maintains control over the type of sponsorship that CTSM creates. UA Associate Athletic Director for External Operations Jon Gilbert described an example where UA and CTSM had to compromise on a sponsorship execution.

For example, we are going to do a break sponsorship- Acme Brake company. It is a break company. They were going to do a break of the game for basketball. They had already signed up for the sponsorship. The company wanted to show the “Break of the Game,” and it would be a bad of the opposing team. CTSM had already signed the sponsorship, and we were not comfortable with the promotion. We allowed it to go on in game, but it would be bad shots from all over the country. So it would not highlight the team that we were playing. So issues like that we are talking pretty often.
In regards to new sponsorship, CTSM Account Executive Tom Brooks described a general filter as a “sniff test.” According to Brooks, the UA does not want alcohol, tobacco or gambling sponsors.

The three primary system components, advertising, network distribution and control, emphasizing revenue generation enjoyed the most structural interaction. Even though attracting an audience is necessary for the any system generating broadcast content, the audience has less direct interaction than the three primary components (DeFleur, 1970). The local affiliate components are seen as having little structural interaction within the system because of an inability to impact other components (McGuire, 2006).

Like McGuire’s findings (2006), analysis of the UA/CTSM system functional interactions demonstrates that control, network distribution and advertising components have the highest levels of involvement with each other. The audience, local affiliate and announcing components are relegated to secondary levels. It is important to acknowledge the audience component in any system distributing media content, but the audience component has little actual interaction with other components beyond reporting media exposure metrics (DeFleur, 1970). According to DeFleur, the frequent interactions between control, network distribution, and advertising components result directly from their roles in generating revenue, a key function of mass media systems. UA, which maintains primary control over the multimedia contract, seeks to make as much revenue as possible by outsourcing its athletic marketing functions. The network distribution component (CTSM) seeks to profit from its investment in UA’s multimedia rights. The distribution and control components are linked as a result of the distributor assuming the
marketing function. The advertising component (sponsors) wants to maximize brand sales and consumer awareness through association with UA athletics. The control-network distribution and network distribution-advertising interactions have particular importance to generating revenue, therefore maintaining the system’s long-term equilibrium (McGuire, 2006). Control, advertising and network distribution develop natural interactions within the system (See Figure 4.1). Interactions between these components are noted most frequently by UA and CTSM informants. Therefore, support for H1 is observed.

The second hypothesis asserted that structural parameters of the UA/CTSM system could be observed. To address this hypothesis, informants were asked how UA, CTSM and Learfield/IMG report to one another. UA informants were asked how UA receives reports from CTSM, while CTSM employees were asked how CTSM reports to UA. Learfield Sports Senior Vice President for the Atlantic Region Steve Gowan was asked how CTSM reports to Learfield. CTSM makes one annual financial report to UA. At the end of the fiscal year, CTSM’s Carabin will present the annual report to UA officials (Athletics Director Mal Moore, Senior Associate Athletic Director and Chief Financial Officer Finus Gaston, and Associate Athletic Director for External Operations Jon Gilbert. CTSM General Manager Jim Carabin described how CTSM reports to UA.

For the University, what we will do is, matter of fact- coming up in August. Our fiscal is July 1 to June 30. After the books have closed, by August 15, we come in and do a year end in review and we’ll do a settle up at that point. If we are over our number, we will present a check in addition to our guaranteed rights fee. Carabin goes onto explain the annual report.

We will do a pretty big presentation at that point reviewing the entire season…breaking down the sales, staff changes, new inventory. What we have done in concessions, merchandise, in venue, online merchandise, photo store,
memorabilia store, auction store, all the different things that we do. We will breakdown how we have done year over year. End of June is our thirteenth season as the multimedia rights holder. We have seven more years to go on our contract. We just kind of compare where we have been, where we are, and where we are going. That is what we do formally. But I will make a presentation to them (UA) in August and if there is any additional large things that we need to work on— categorically. Or if there is an idea that we have that might encompass the athletic department or the University, I will make a formal presentation on that. But it is kind of situational. August is the big presentation.

For FY 2011-2012, CTSM guarantees UA $7,105,000 with a threshold of $4,530,000. The threshold figure goes directly to CTSM to cover CTSM’s operating expenses (Crimson Tide Foundation/Crimson Tide Sports Marketing Rights Modification #2 to Rights Agreement, 2008). System derived revenue exceeding the threshold figure is equally between UA and CTSM (Crimson Tide Foundation/Crimson Tide Sports Marketing Rights Agreement, 2008).

Other informants validated the formal reporting process Carabin described. CTSM Account Executive Jay McPhillips discussed the reporting structure at CTSM.

I formally report to Jim on a weekly basis, and I informally report to Jim on a daily basis. We do have a Monday morning sales call with our regional vice president, Steve Gowan. Jim first reports to Steve Gowan. He kind of keeps up with the activity of our property. Specifically with my activity, I meet with Jim on Thursday mornings one on one. I will use that time to bounce ideas off of him. If I don’t get a chance to ask him things, then I compile a list for our one-on-one meeting. Because he meets with us and knows the deals that are going on, you know, I tell him in those meetings, I expect to hear from Client X on Friday morning. He will stop by and ask what happened with Client X.

This process was confirmed by all CTSM account executive (Tom Brooks, Bryant Bruce, and Jay McPhillips), as well as CTSM General Manager Jim Carabin.

While there appears to be informal interaction between UA and CSTM employees throughout the year, CTSM is required to present a formal annual financial report. According to Steve Gowan, Learfield Sports senior vice president manager for the
Atlantic Region, CTSM employees report to Learfield via weekly sales progress reports.

Gowan described these reports.

We have a Monday morning staff call that is 30 minutes in length. It is from 8:00 am to 8:30 am central time. The agenda for that meeting is an around the horn. Each salesperson will take a minute and talk about the highlights of their previous week. Whether it be appointments…business that has progressed or closed. And then they will use the last few minutes to go over the schedule for the current week. I may ask questions, others in the room may ask questions for clarification. But each seller does that. We go around the horn, and then I will have a few corporate level announcements or emphasis or things I want to touch on, and Jim may have some. We usually break up that part of the meeting that I am on for those 30 minutes by phone. They may continue longer and touch on some more detail, implementation, brainstorming --- that kind of thing. But the core of the sales call is the part that I am on.

Now, secondly to that, Jim and I have a standing one-hour meeting each month. We call them GM calls --- monthly GM calls. He sets the agenda. There are standard items on the agenda --- sales forecasting, blah, blah, blah. But we spend an hour on the phone once a month. In addition to, I will tell you that a five-day work week if Jim and I go less than 3 days a week talking for one reason or another—I call him, he calls me. That will be a rarity. I won’t say once a day because there might be one day I don’t talk to Jim. But between email or phone, we communicate every day.

The interviews confirmed that reporting within the UA/CTSM system was observed: the structural parameters in the relationship allow for both formal and informal interaction between the two parties. Support is observed for H2.

System theory suggests hierarchical structure. Because labor is separated between structural components, management is required to guide the system toward maximum efficiency. H3 proposed that hierarchical structures can be observed and identified for both UA and CTSM, as well reporting channels between them. This was not clearly validated in the interviews. Within the two organizations, clear reporting channels were observed and described. However, reporting channels between UA and CTSM are less formally described. While CTSM informants described hierarchy within CTSM, it
appears there is no formal organizational outline of CTSM’s managerial relationships. Interviews with CTSM respondents did specify that account executives are on the same level, and everyone reports to the local CTSM general manager. The local CTSM general manager reports to Learfield Sports Senior Vice President Manager for the Atlantic Region Steve Gowan.

Conversely, UA does have a formal, hierarchical structure. Within the athletic department, Mal Moore, the athletic director, is the senior manager responsible for all athletic department operations, including CTSM oversight. Moore signed both multimedia rights contracts on UA’s behalf, and he attends the annual meeting recapping the year’s financial activity. However, Moore indicated that direct oversight of CTSM the responsibility of Senior Associate Athletic Director and Chief Financial Officer Finus Gaston and Associate Athletic Director for External Operations Jon Gilbert. Gaston explained: “Mal is involved at the year-end reviews, or if there is something that is a grey area, we will ask Mal’s advice on that.” The formal multimedia rights contracts include few details on specific reporting channels between UA and CTSM, but some sections do reveal what needs to be reported and to whom. Section 16.03 of the current Crimson Tide Foundation/Crimson Tide Sports Marketing Rights Agreement (2008) states: “Contractor shall furnish periodic reports of the total barter provided, which said reports shall be furnished to CTF and the University’s Athletics Director, and the Vice President for Financial Affairs and Treasurer.”

The other UA signatory to the contract is Dr. Lynda Gilbert, vice president for financial affairs and treasurer. Gilbert reports directly to UA president Robert Witt. She
oversees the athletic department’s contractual matters. Gilbert outlined her role in the
UA/CTSM system.

At the University, there are a limited number of individuals that have signature
authority, which is the ability to bind the University to a contract. I am one of
those, and that is why my name ends up on the contract. Part of that reason is
because we look at it from a very high level. We read the contract obviously. But
by the time it comes to me, the contract has been pretty well vetted. We look at it
from more of a political perspective. We discuss financial issues with Dr. Gaston
when needed or legal issues with the legal staff. Normally, by the time I receive
the contract most of it is pretty well set in stone. If we had a department that was
not as well managed as athletics, I would probably be much more involved in it.
Dr. Gaston is very knowledgeable and very skilled. So I don’t have to be as
involved.

Dr. Finus Gaston holds the second highest position in the UA athletic department as
senior associate athletic director and chief financial officer. Although Jon Gilbert,
associate athletic director for external operations, does not report directly to Dr. Gaston,
Dr. Gaston is senior to Gilbert. Gaston and Gilbert report directly to UA Athletics
Director Mal Moore.

Between the two organizations, it was agreed that CTSM’s local general manager
is the primary contact for UA officials. Jon Gilbert described UA’s correspondence with
CTSM: “Now, I will be the first to say it is not a clear cut line right now. Now, we all
work pretty well together. Finus [Gaston] will handle more the contractual issues. I
handle more the day-to-day sponsorship stuff.” Different informants described different
reporting networks under varying conditions. Gaston, Jon Gilbert and Moore were all
noted by CTSM respondents as managers responsible for different areas of the
UA/CTSM system. While reporting hierarchies are observed internally for UA and
internally for CTSM, evidence of formal reporting structures between UA and CTSM is
inconclusive. H3 is rejected.
The fourth system theory hypothesis theorized that structural interactions changed between the initial UA/CTSM contract and the current UA/CTSM contract. Currently, UA and CTSM are in their second contract. The initial contract was effective July 1, 1998 for a four-year period with a six-year increase option resulting in an initial 10-year contract. The second contract took effect July 1, 2008, and is scheduled to terminate on June 30, 2018. Changes were observed between the two contract periods. Terms regarding rights fee and the length of the contract are noted formally. The initial contract was written for four years with a possible six-year extension. The second contract is written for 10 years. In the second contract’s Section 13.03, there is a Reassessment of Rights Fee. This clause allows for a market value adjustment to the contract after the initial, five-year contract period.

It is the intention of both parties that the term of this Agreement is for a period of ten (10) years. However, commencing July 1, 2013, the parties will meet to discuss the terms of this Agreement, marketplace trends, and if the rights fees paid by Contractor remain commensurate with the stature of the University’s programs. Both parties agree to negotiate in good faith at that time towards an adjustment in the rights fee model as then deemed warranted based on the marketplace analysis. The rights fee will not be reduced. Contractor will provide information and appropriate documentation to substantiate the rights fee valuation. CTF (Crimson Tide Sports Foundation) or the University also may assess the marketplace and provide its evidence of a different valuation. The University may notify Contractor of other offers from responsible offerors at any time between July 1, 2013, and August 31, 2013. Contractor will have thirty (30) calendar days to match the measurable financial elements of the best offer. If Contractor elects to match the measurable financial elements of the competitor proposal, the remainder of the ten year term of this agreement will be completed with Contractor. If Contractor fails to match such terms, CTF may terminate this Agreement effective July 14, 2014, and enter into an agreement or agreements with such third parties.

New sales inventory was added to CTSM in the second contract. Also, the language describing the rights changed. In the first contract, rights were specifically outlined, while the second contract’s language is more general. Contingencies are planned for in the second contract. For example, if new signage is constructed in UA
athletics venues, CTSM automatically receives rights to market the new signage. That specific sign does not need to be added as a contract addendum.

Athletics venue concessions rights were added to the second contract. These rights include all rights to food and beverage sales in UA athletics facilities. Under the initial contract, UA retained these rights. Increasing UA’s revenues drives the observed structural change between the two contract periods. Senior Associate Athletic Director and Chief Financial Officer Finus Gaston discussed adding the concession rights to the second contract.

For years, we (UA) had a contract on our concessions, and we were getting a share of the revenue and a guarantee each year. It goes back to philosophy—is the whole greater than the sum of the parts? When we first started multiple media rights contract back in the late 80s, we were one of the first ones to do that and adding different rights to this. The element that we didn’t have in the contract was the concession rights, but they are tied in to the sponsorships because of the food and drinks they serve. It is tied into our soft drink pouring rights, and our endorsement rights with our isotonic beverage rights, etc. So we made the decision to negotiate with CTSM, Learfield and ISP (at the time). Sharing those rights with them, what will they guarantee us for that? Because we felt like leveraging all those properties together that the end result will be greater revenue for us. Also, they will be managing --- they would be managing the rights themselves. As it turns out, we feel like we made the right decision.

After CTSM was awarded concession rights, formal proposals were solicited. CTSM’s concessions rights were awarded to Centerplate, a company specializing in athletic food vending. Centerplate manages all the concessions rights for CTSM. From the multimedia rights owner perspective, Steve Gowan explains the benefits of acquiring concessions rights.

Well, that came when we re-upped our deal. We added the concessions to it. Basically, like any other business venture, we had to find out where they were as a baseline financially and then we had to decide if it made sense to us. We had to decide what sort of financial investment we could make to garner those rights. We were able to find a spot that worked. Then we were able to take those rights and run a negotiation/RFP (request for proposal) process of our own, and we selected
Centerplate who has been here for about three or four years. They manage the concessions and the game-day merchandise. I will tell you the other thing that people lose sight of. We don’t because it is part of the reason we wanted to do it. When you talk about sponsorship sales, there are a lot of sponsors who have a product that they want to sell in the facility. So now since we have the concessions rights, we kind of control both sides of that. Whereas we cannot only sell them the right to negotiate with Centerplate to sell their product in the stadium. We can also have them as a sponsor to expose their brand. You know it is --- like the official hotdog is Bryan Foods, but they are sold at Byrant-Denny Stadium. Before, we just controlled the sponsorship side, and we didn’t have control over what hotdog is sold. It still has to make sense for both sides. But now when you control both sides, we can figure out where does it make the most sense. Where do we need to push our concessionaire to partner with us over here? This feels right in the hotdog category, etc. Then you have the whole other part of giving the fans a product that they are used to. Not only do they have the usual concession products, but they also have the branded products.

The fifth hypothesis proposed that formal interactions changed between the two contract periods. Overall, there was no clear confirmation that formal interactions evolved between contracts. Because of the earlier noted murky reporting channels between UA and CTSM, it is difficult to conclude whether formal interactions between them changed. Some change can be observed between the two contracts. The UA associate athletic director of external operations position was added during the second period, for example. This position appears to be UA’s day-to-day correspondent to CTSM’s local general manager. Although neither contract reflects this specific addition, informants reported that UA’s structure evolved to better correspond with CTSM.

Associate Athletic Director and Chief Financial Officer Finus Gaston explained it this way:

The structure has pretty much been the same. We have added some personnel and extended some responsibilities to people have to get involved in some of this. Jon [Gilbert] has been involved for about three years with the marketing end, Tide Pride, the ticketing office, etc. So he has branched out in those areas, which allowed me to concentrate on the primary things that I do here. That has worked out well. There are so many day-to-day decisions and communication that it can’t be centralized on one person.
CTSM also had a structural change between the contract periods. Again, the change was not noted in the multimedia rights agreement contract, but it was revealed during interviews. The change appears to be associated with current personnel responsibilities. With the current structure, the responsibilities of the general manager and assistant general manager merged. According to CTSM’s Tom Brooks, CTSM had an assistant general manager focused on sales support for the account executives. Brooks explained the previous structure.

Michael Alford was the previous GM, and he was in more of an administrative role. He was not in an active sales role. Where Jim is much more active in the sales process. He has a sales number. He is responsible for sales. He is more hands on in the sales process. Since Michael’s strength was more administrative, the associate GM was more sales driven. I think the current set up has made us a stronger organization because it is more hands on. Jim can be a resource for the new account executives. The training is better. We have a really strong staff here now.

An open system theory assumes information or other inputs to improve the system may be introduced by any of the system’s components. The sixth hypothesis asserts that the UA/CTSM system operates as an open system allowing multiple parties to introduce inputs with the intention of altering the structural and/or functional components to benefit the party introducing the input. It is clear that the UA/CTSM system operates as an open system. For the life of the working relationship, both parties have introduced input. For example, UA’s Gaston discussed opening a new gym auditorium.

We are both constantly looking for new inventory. For example, when we open a new facility and start designing scoreboards, we try to be creative from the University standpoint and CTSM will also explore new advertising ventures they can within the facility. So both parties can initiate new inventory. The contract is written in a way that you don’t have to amend the contract. The contract is exclusive in nature any advertising…any advertising we have in our facilities for example. As we open new facilities or have additional events, those rights will
automatically shift to be a part of CTSM’s contract. We will work together to maximize the value.

Under the current contract, new inventory can be added easily if the inventory category is already covered in the contract. For example, signage is already addressed in the contract. UA manages the athletics venues. If UA adds new signage to a venue, CTSM holds the marketing rights to the new signage. New inventory categories can also be added to the contract. The addition of concessions rights is the best example of this. It was unclear which party initiated the idea of adding concessions rights, but both UA and CTSM informants agreed that either party could propose new inventory. Learfield Sports Senior Vice President for the Atlantic Region Steve Gowan explained Learfield’s perspective on adding new inventory.

Well, increasing inventory is an on-going discussion. Normally us. No, I shouldn’t say that. Over the nine years that I have been connected in this business, I would say it is probably half and half…maybe 60/40 us. You know UA has been great. When they went to build the new stuff in the basketball arena—the centering score board. They came to us when Foster Auditorium was outfitted. We had the sketches well in advance of that building opening. So we can take them out to advertisers and sponsors. So they came to us there. You know they are really good about letting us know what they are thinking, and let us see how we can package it.

There appears to be no formal process for proposing new inventory. Gowan walked through an example of adding inventory.

Our contract talks about some very specific categories of inventory. It does not talk about every single sign. It will say you have the in-venue signage rights. Now it is up to us working with UA to determine what is needed. You know with LED—you are talking about blank boards. So how much is too much? From our standpoint, based on giving each sponsor significant time to be exposed, we think 7 of these, 10 of these, 20 of these is the right number. UA might say, “Guys, we were thinking more than that.” And then we sit down and decide where we all think is a right number. It is all about keeping the venue not over done. You want to hit a spot. Well, as a sales guy, you want to push it as much as you can because there is a revenue component. But yet there is a tipping point…if you are just doing logos. But what I think we have tried to do with the new technology is combine fan-interactive and fan-friendly features and incorporated a
sponsor with it. Out of town scores presented by… Stats presented by… A replay presented by… it is not just a logo. You are giving the fan something for looking up there and for paying a ticket price. There is a fan amenity to all that. We have been able to blanket it with some corporate representation. That is the back and forth between us and the school: How do we add value to the fan? If it is good for the fan, then a corporate entity wants to be a part of that. That is where you try to marry the two together. Not just logo, after logo, after logo. You try to do something interesting that rewards the fans.

CTSM has the advantage of adding new components that other Learfield properties have found successful. However, UA, as the primary controller of the multimedia rights contract, has final approval. Since both parties benefit from the success of the property, the two organizations work as a team to increase revenues.

The second research question asks if the multimedia rights marketing model offers UA any benefits beyond contracted financial benefits. None of the UA or CTSM informants described anything other than financial benefits. These results indicate the system’s emphasis on financial performance override any other direct or indirect benefits, at least as those benefits are perceive by these UA/CTSM system informants.
CHAPTER 5
DISCUSSION

Since many multimedia rights contracts mirror each other, it may be expected that other institutions reflect many components of the UA/CTSM system. This case study cannot be generalized to all universities and their athletic departments, but it does offer a description of a working relationship unique to one university and its vendor. The system and components that define the UA/CTSM system were the foci of the case study. Communication exchange within and between the UA/CTSM system was examined to determine how the system operates and how responsibilities are delineated in the system. Additionally, this case study further establishes how marketing and sponsorship are used to help university athletic programs meet financial demands while still remaining athletically competitive.

This case study examined the University of Alabama multimedia rights agreement from system theory perspective. Using McGuire’s (2006) research as the framework, this UA/CTSM system research examined and confirmed the same six components McGuire identified: control, network distribution, advertising, audience, local affiliates and announcing. In the UA/CTSM system, UA is the control component because of its institutional ability to contract with vendors. Also, UA retains ultimate approval of any actions taken by vendors on its behalf. While none of the informants interviewed for this research detailed any disagreements resulting from UA’s control position, there is the possibility for conflict. However, due to the UA/CTSM system’s goal of maximizing profits, each party has an interest in reducing conflict to low levels and resolving conflicts amicably. Other components in the system are largely maintained by CTSM. As
the system component clearly identified with network distribution, CTSM manages all the advertising (sponsorship and other sales), audience (target markets brands seek to reach), local affiliates (broadcast properties making UA athletics events available to audiences) and announcing components (broadcast technical elements and on-air presentation staff) on UA’s behalf. Clearly, UA and CTSM expect this management structure will be mutually profitable.

H1, based upon McGuire’s (2006) research, predicted frequent interactions between the control, network distribution and advertising components. All the informants interviewed for this case noted this pattern typifies the UA/CTSM system. The most frequently described interactions occurred between CTSM and UA concerning the status of advertising/sponsorship sales. In addition to interacting with UA, CTSM is almost solely responsible for interacting with the advertising component of the system. This is consistent with the formally contracted UA/CTSM relationship: CTSM is expected to serve as the interface between the control component (UA) and the advertising component (brand marketers wishing to associate with UA athletics). UA has almost no involvement with the advertising component, unless CTSM approaches UA for advice in this area. UA may not wish to have some types of businesses or product categories associated with its program. In this case, CTSM would ask UA for a ruling on how to proceed with the client. In its control role, UA could direct CTSM to cease negotiations with a current or potential client.

UA/CTSM structural parameters were investigated with H2. McGuire’s (2006) research concerning the University of Missouri and its multimedia rights holder suggested that formal structures dominate system management. Certainly, some structural
parameters are outlined in the contract establishing the UA/CTSM system. The dominant areas structurally outlined in the contract include CTSM’s exclusive rights to market UA athletics to various advertising and broadcast properties, the type of inventory CTSM may offer, specific inventory retained by UA and financial terms of the agreement. Clear structures were observed within the control component (UA) and the network distributor component (CTSM). CTSM General Manager Jim Carabin reported that he is required to make a formal financial accounting to UA at the close of each fiscal year. This formal presentation will include CTSM’s delivering a check to UA covering UA’s guaranteed funds, as well as any additional funds owed to UA as per the contract. While the contract’s provisions and Carabin’s information provide some support for H2, this relatively small degree of structural interaction means overwhelming, conclusive results for H2 were not observed.

Similar conclusions are noted for H3 and formal system hierarchy. Both UA and CTSM are well structured. Formal relationships are defined and management strata are clear within each component. However, a formal management hierarchy was not observed between the two components. CTSM General Manager Jim Carabin reported a much more informal structure on the UA side. He reported contacting two UA officials, Senior Associate Athletic Director and Chief Financial Officer Finus Gaston and Associate Athletic Director for External Operations Jon Gilbert, about specific areas Carabin assumes each oversees. However, there appear to be no formal details about the responsibilities delegated to Gaston and Gilbert. Carabin relies on his experience as to which UA manager to consult. While this contact structure appears to have worked for the UA/CTSM system, it suggests that conflicts are possible. For example, conflict could
arise if Carabin consults one manager about an issue never addressed before with either manager. If the UA manager offers Carabin guidance contrary to the other UA manager’s opinion, conflict is possible. Also, this informal relationship could be undermined by personnel changes. If Carabin leaves CTSM, for example, the succeeding local CTSM manager may not be aware of Carabin’s past interactions with UA managers. If a UA manager leaves the athletic department, Carabin will have to build a new relationship and generate new experiences with the new UA manager. This could disrupt the system.

UA/CTSM system managers are advised to formalize the system’s reporting hierarchy, including designating specific UA managers’ authority areas.

McGuire (2006) noted that a well-functioning multimedia rights system evolves over time and structural interactions change to improve the system. Structural system evolution was observed in the UA/CTSM system. Reviewing the two successive multimedia rights holder contracts shows that inventory was added to CTSM’s portfolio in the second contract. Also, the contract’s language was written to ensure fewer amendments during the contract period. For example, under the former contract, any new inventory provisions were handled separately. If UA upgraded signage in its sports venues, amendments were required to grant CTSM rights to the new inventory. Broad language in the second contract eliminates this necessity. The second contract concedes signage of any type or lineage to CTSM, thereby eliminating any need for new managerial structures or negotiations within the system. CTSM’s right to market sports venue concessions were not included in the first contract. These rights were formalized in the second contract. A mid-contract review is formalized in the second contract: UA requires CTSM to demonstrate that the financial relationship between them is consistent
with contemporary financial arrangements between other multimedia rights holders and the schools they represent. The lengthy contract period, 10 years, requires both parties to keep the relationship financially beneficial because of escalating rights fees, inflation or other factors dramatically impacting financial value.

H5 concerned formal interaction changes over time. The informal relationships noted in H4’s results are similarly echoed in H5. Some structural change is observed, most notably UA adding an associate athletic director for external operations position to its athletics management staff. However, as reported by Senior Associate Athletic Director and Chief Financial Officer Finus Gaston, this addition resulted in few system changes between the two contract periods. Since Gaston served under both contracts, his report carries credibility. Therefore, it is concluded that formal interactions have not changed between contracts. H5 is rejected.

H6’s assertion of open systems allowing multiple inputs is confirmed. An open system allows any unit in the system to suggest system improvements, especially if the improvement serves the interests of the unit recommending the improvement. In the UA/CTSM system, assuming concessions right was suggested by CTSM and approved by UA. Increased profits derived from concessions benefit both parties. A CTSM informant detailed how UA approached CTSM with questions about facilities design that would improve marketing opportunities in the redesigned facility. CTSM advised UA on how the redesign could be more advertiser friendly, so UA incorporated the suggestions into the new facility. Again, improved profitability serves both parties.

RQ2 is unique to this UA/CTSM case study research. McGuire (2006) described financial benefits in his University of Missouri research, but did not suggest other types
of benefits. UA/CTSM informants were asked to describe any benefits to UA beyond financial stability. None of the informants interviewed for this case suggested other types of benefits. If the value of UA’s multimedia contract is considered as the only metric for the system’s value, outsourcing UA athletics’ marketing and broadcasting rights to a single vendor produces significant dividends. Moving to a single-provider model with national scope allows UA to efficiently bundle services within a system and receive guaranteed profits while offloading significant financial risks. With UA no longer managing a marketing business, the athletic department can concentrate on building competitive sports programs. Since UA outsources its sponsorship sales, the Athletic Department does not need to recruit, train, and compensate sponsorship executives and broadcasting personnel. Under the current rights contract, UA is guaranteed $75,650,000 over 10 years. CTSM is on track to soon gross more than $20 million annually (Crimson Tide Foundation/Crimson Tide Sports Marketing Rights Agreement, 2008). UA/CTSM system informants noted that guaranteed multimedia rights contracts offer universities unprecedented financial security. The multimedia rights contract minimizes risks while guaranteeing revenue.

The athletic department can benefit by having the rights holder provide a barrier to other types of negative consequences. In other words, it is the network distributor that deals with problems or criticisms that might otherwise involve the UA Athletic Department directly. UA athletics can shield itself from negative criticism of marketing, broadcasting and concessions operations by noting that CTSM manages those areas independent of UA. If event attendees think concessions prices are too high, UA can refer complaining patrons to CTSM. This insulation can even extend to personnel matters. For
example, Ken Stabler, a popular former UA athlete, former professional football quarterback and longtime UA football color analyst for radio broadcasts, was involved in a drunk driving incident. Despite Stabler’s long-time association with UA athletics, CTSM’s responsibility for radio broadcasts meant that Stabler was a CTSM employee. Stabler was dismisses from the radio broadcast team prior to the 2009 football season. UA could publicly claim the decision to release the popular commentator was a CTSM business decision. However, as this research details several times, it is unlikely that CTSM would dismiss Stabler without UA’s approval. Despite none of this case’s informants citing this type of benefit, benefits beyond the financial are possible from the UA/CTSM system.

Beyond the managerial implications noted in the earlier sections of this chapter, there are theoretical implications from this case study. This research confirms McGuire’s (2006) assumption that system theory can be used to understand innovative or unusual systems, such as athletic multimedia rights. Therefore, system theory research applications are expanded. This research also suggests that once a system is established, the system’s initial goal or benefit may override any other goal or benefit that might be concurrently derived from the system. The UA/CTSM system’s emphasis on financial success is an example. These findings do not suggest that UA/CTSM informants are indifferent toward system benefits other than financial benefits. These results do suggest that financial goals were the impetus for developing the system, and the system has worked to support the initial goal. An interesting question for theoretical consideration is whether a system can support multiple goals for the system. Will pursuing multiple goals disrupt the system or reduce the system’s ability to effectively meet its initial or primary
goal? How can multiple goals be communicated within the system? How many goals can a system support effectively before the system is disrupted? Should multiple goals be prioritized to indicate which goal is most important for system maintenance? These questions should be addressed by system theory researchers documenting evolving, open systems of the type observed in this case study.

Other system theory implications are also noted. These case study results indicate few formal, structured reporting relationships between CTSM and UA beyond the annual financial report. CTSM manager Carabin reported approaching UA representatives Gaston or Gilbert, depending upon the situation Carabin needed advice about. This proposes an interesting question for system theory generally: Can a system thrive and reach the its goals in the absence of a formal reporting hierarchy between key system managers? The UA/CTSM system described here appears successful. However, if the system grows more complex, informal reporting channels may no longer be sufficient.

Another key observation of the UA/CTSM system is that system managers never addressed relationships involving other system components, especially the system’s audience. Presumably, audience demand for UA athletics coverage is the foundation of the system. If this demand does not exist, the UA/CTSM system is unnecessary. However, none of the respondents interviewed for this research addressed any considerations or concerns for the audience component. This should not be construed as indifference to the audience. Rather, this result might be a methodological artifact; Informants were questioned about those system components most likely to generate revenue. Questions regarding the audience component’s role in the UA/CTSM system were not directly addressed. Future research could investigate the audience component to determine how
well the UA/CTSM system delivers the athletic coverage demanded by the audience. Local radio and television affiliates broadcasting the content expect profitability for purchasing these broadcasts. Are the local affiliate’s financial expectations being served? In fact, a new component, termed research, might be added to the system. This new component would investigate and demonstrate satisfaction between the system’s components, especially CTSM and its advertising clients, as well as between CTSM and its local affiliates.

As per McGuire, this UA/CTSM case study research labeled one of the system’s components as “advertising.” This term may be too broad to adequately encompass all the available integrated marketing communication activities brands expect UA athletics to support. For example, some brands may use the system to support public relations goals, rather than immediate sales goals. Other brands may seek the credibility or prestige that derive from associating with a high profile, successful UA athletic program. And as noted in the Introduction and Literature Review chapters, “advertising” as a term is imprecise in the sports context. While an official sponsor may advertise during a broadcast, an advertising brand may not be an official sponsor. Conversely, official sponsor brands may not be advertising during the event or as part of the event broadcast. Clearly, the term advertising needs to be redefined as sports event marketing becomes increasingly sophisticated.

Future research in the athletics multimedia rights area should explore other types of schools and other systems. For example, research could compare and contrast multimedia rights holder systems at state universities and private universities. One advantage of researching UA, a state-funded university, is an ability to review documents
relating to multimedia rights. Private universities are not required to make contracts public. Future research could investigate the profitability of schools outsourcing multimedia rights compared to schools retaining those rights. Which model best serves the school’s financial interests? The same case study approach applied to the UA/CTSM system could be applied to other Learfield/IMG-represented schools to see if the UA/CTSM relationship is typical of Learfield/IMG operations.

Another major research area consists of investigating the system’s advertising component. How satisfied are advertisers with the UA/CTSM system. Some advertisers, such as Golden Flake, have associated with UA for decades. This brand could provide details about working with UA under the old model, as well as the first and second CTSM contracts. Some advertisers will have experience at different schools under a variety of systems. How does the brand’s experience differ across universities? Lastly, brand performance could be observed in the system that really matters to the brand --- the free enterprise system. Do brand sales vary as a consequence of different athletics marketing models at different universities?
REFERENCES


APPENDIX A

Letter of understanding with the University of Alabama

January 18, 2010

Jim Carabin
General Manager
Crimson Tide Sports Marketing
University of Alabama
P.O. Box 870339
Tuscaloosa, AL 35487

Re: University of Alabama Football sponsor study

Dear Jim:

Thank you so much for your willingness to help me with my thesis. This study would not be possible without your help. I am excited about my topic because it combines my experience in the communication field with my love for college football.

Prior to attending graduate school, I worked in the marketing communication field and gained experience from different types of positions. While serving as marketing and events coordinator for Cushman & Wakefield’s Financial Services Brokerage Team, which generated over $2.9 billion dollars in transactions, I developed sound organizational and managerial skills. As development director for GreaterGoal, I performed substantial research, wrote grants and oversaw international community development projects in Nicaragua and South Africa. Partnered with my development director position, I worked at Crimson Marketing and Public Relations (CMPR), where I was able to position GreaterGoal as the primary charity for different CMPR events. Interest in progressive brands sparked my transition to consumer goods. As communication manager for Good Health Natural Foods, I managed every aspect of communication, including brand image, packaging, web site, advertising, trade shows, and integrated marketing communication plans.

My experience over the past few years has heightened my interest in sports sponsorship. I have always loved college football, but my time at CTSM last year really piqued my interest in the CTSM’s sponsors. The purpose of my study will be to better understand the University of Alabama sponsors’ intention and expectation of the sponsorship. I will be examining how the sponsors select their sponsorships, how they evaluate the return on investment, the sponsor’s key objectives for the sponsorship, uses for the sponsorship, and budget concerns. I believe the findings will provide key insight about the sponsors and their expectations. At the end of the study, I would love to present a summary of my results to you and any other CTSM personnel. To adequately execute this study, I will need your assistance. I need your permission to contact the sponsors for the organization and would like to meet or phone the CTSM corporate sales personnel for interviews. I would like to review internal documentation including documentation on obtaining sponsors communications between the organization and current and potential sponsors (within the limits of confidentiality and comfort for both parties).

Also, I would like access to any organization-generated research on fan demographics, psychographics, broadcast ratings, press coverage, etc. I would like to analyze the team or league "s marketing communication materials, e.g. trade ads, direct mail pieces, press kits, review the activation reports CTSM supplies to current sponsors. I also seek permission to attend the activities to observe on-site sponsor activation activities.
I am extremely eager to begin. I expect the entire study (including my final defense to my committee) to take roughly 7-8 months, depending on delays. If you are willing to allow me to contact your sponsors, please sign this agreement and either fax or email it back to me. If you do not mind, could you please email me a contact for each of the sponsors that you would like me to work with?

This is an academic project in pursuit of my master's degree in advertising and public relations at the University of Alabama. I reserve the right to publish and present the results of my study in academic journals and at academic and professional conferences. If you do not wish to be identified by name, I can mask the identity of the organization and all companies in future conference and journal appearances.

Dr. Lance Kinney, associate professor in the advertising and public relations department at the University of Alabama, is directing this thesis research. Dr. Kinney's research expertise lies in corporate sponsorship of sports and other events. He has published research in professional journals, including *Psychology and Marketing*, *Journal of Promotion Management*, and *Journal of Sport Management*, along with book chapters. My thesis director will ensure the rigor of my research and review any and all data generated for my thesis. Please feel free to contact him, if you would like more information.

Dr. Lance Kinney  
Associate Professor  
Advertising & Public Relations  
University of Alabama  
Phone: 205.348.2401  
Fax: 205.348.2401  
Email: kinney@apr.ua.edu

Sincerely,

E. Brandon Garrison  
MA Candidate 2010  
Advertising & Public Relations  
The University of Alabama  
Advertising Department Teaching Assistant  
dorangedgarrison@gmail.com  
p: 205.887.2231  
f: 205.348.2401

Date: 1/19/2010

Jim Canoia, General Manager, Crimson Tide Sports Marketing  
Date: 1/19/2010

Brandon Garrison, University of Alabama  
Date: 

Dr. Lance Kinney, Associate Professor, University of Alabama
APPENDIX B

IRB Approval

September 7, 2011

Elizabeth Brandt Garrison
Advertising & Public Relations
1021 16th Avenue
Tuscaloosa, AL 35401

Re: IRB# 11-OR-277: “Multimedia Rights Holders and Athletic Sponsorship: A System Theory Case Study of the University of Alabama”

Dear Ms. Garrison:

The University of Alabama Institutional Review Board has granted approval for your proposed research.

Your application has been given expedited approval according to 45 CFR part 46. Approval has been given under expedited review category 7 as outlined below:

(7) Research on individual or group characteristics or behavior (including, but not limited to, research on perception, cognition, motivation, identity, language, communication, cultural beliefs or practices, and social behavior) or research employing survey, interview, oral history, focus group, program evaluation, human factors evaluation, or quality assurance methodologies.

Your application will expire on September 6, 2012. If the study continues beyond that date, you must complete the IRB Renewal Application. If you modify the application, please complete the Modification of an Approved Protocol form. Changes in this study cannot be initiated without IRB approval, except when necessary to eliminate apparent immediate hazards to participants. When the study closes, please complete the Request for Study Closure form.

Should you need to submit any further correspondence regarding this application, please include the assigned IRB application number.

Good luck with your research.

Sincerely,

CarmanT. Myles, Ph.D., CIOM
Director & Research Compliance Officer
Office for Research Compliance
The University of Alabama
UNIVERSITY OF ALABAMA INSTITUTIONAL REVIEW BOARD FOR THE PROTECTION OF HUMAN SUBJECTS
REQUEST FOR APPROVAL OF RESEARCH INVOLVING HUMAN SUBJECTS

I. Identifying Information

Principal Investigator
Name: Elizabeth Brandt Garrison
Department: Advertising and Public Relations
College: Communication and Information Sciences
University: UA
Address: 1021 16th Avenue
Tuscaloosa, AL, 35401
Telephone: (205) 887-2231
Fax: E-mail: elizabethgarrison@gmail.com

Second Investigator
Dr. Lance T. Kinney
Advertising and Public Relations
Communication and Information Sciences
UA
P.O. Box 870172
Tuscaloosa, AL 35487
(205) 348-7706
(205) 348-2401
kinney@agr.ua.edu

Title of Research Project: Multimedia rights holders and athletic sponsorship: A system theory case study of the University of Alabama

Date Printed: 

Type of Proposal: [ ] New [ ] Revision [ ] Renewal [ ] Completed [ ] Exempt

Funding Source: None

UA faculty or staff member signature: ____________________________

II. NOTIFICATION OF IRB ACTION (to be completed by IRB):
Type of Review: [ ] Full board [ ] Expedited

IRB Action:
[ ] Rejected
[ ] Tabled Pending Revisions Date: ________________________
[ ] Approved Pending Revisions Date: ________________________
[ ] Approved—this proposal complies with University and federal regulations for the protection of human subjects. Approval is effective until the following date: 9/1/2012

Items approved: [ ] Research protocol: ________________________
[ ] Informed consent: ________________________
[ ] Recruitment materials: ________________________
[ ] Other: ________________________

Approval signature: ____________________________ Date: 9/7/2011

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Informed Consent for a Non-Medical Study

Study title: Multimedia rights holders and athletic sponsorship: A system theory case study of The University of Alabama

Investigator’s Name, Position, Faculty or Student Status

**Principal Investigator**  
Name: Elizabeth Brandt Garrison  
Department: Advertising and Public Relations  
College: Communication and Information Sciences  
University: UA  
Address: 1021 16th Avenue  
Tuscaloosa, AL, 35401  
Telephone: (205) 887-2231  
FAX:  
E-mail: ebrandtgarrison@gmail.com

**Thesis Chair**  
Name: Dr. Lance T. Kinney  
Department: Advertising and Public Relations  
College: Communication and Information Sciences  
University: UA  
Address: P.O. Box 870172  
Tuscaloosa, AL, 35487  
Telephone: (205) 348-7706  
FAX: (205) 348-2401  
E-mail: kinney@apr.ua.edu

What is this study about? What is the investigator trying to learn?  
I am doing a case study on Multimedia rights holders and athletic sponsorship, and my focus is the operating relationship between CTSM and The University of Alabama. The objective of this research is to investigate multimedia contracts to understand how the different components of the system work together to generate value for the institution’s athletic programs and the programs’ sponsors. This case study will provide insight as to why sponsorship multimedia contracts continue to grow on a collegiate level. With this information, multimedia rights holders will be able to better serve sponsoring brands and collegiate athletic programs serve.

Why is this study important or useful?  
This case study will use the system theory to investigate sport sponsorship in collegiate multimedia contracts at The University of Alabama. The system theory reviews complex organizations as comprised of smaller units with specific responsibilities. System theory
research involves observing and describing the operating units, how they interact and how unit contributes to the organization’s goals.

Three specific units were identified within the system: control, network distribution, and advertising. These units work together to create revenue through their participation in the system. The objective of this research is to investigate multimedia contracts to understand how the different components of the system work together to generate value for the institution’s athletic programs and the programs’ sponsors. This case study will provide insight as to why sponsorship multimedia contracts are successful on a collegiate level. With this information, multimedia media rights holders will be able to better serve sponsoring brands and collegiate athletic programs.

**Why have I been asked to be in this study?**
You have been asked to be in this study because of your position and the role you play in the relationship between Crimson Tide Sports Marketing and The University of Alabama.

**How many people will be in this study?**
I am interviewing approximately 9 key individuals.

**What will I be asked to do in this study?**
You will be asked to participate in an hour-long interview at a place and time convenient for you. If you are unable to meet with me in person, I can do the interview via telephone. I would also like your permission to record the interview. During the interview, you will be asked questions regarding your role in the Crimson Tide Sports Marketing and The University of Alabama relationship.

**How much time will I spend being this study?**
The interview will last one hour. However, you will also be given the opportunity later to review my transcript of your interview for accuracy.

**Will being in this study cost me anything?**
The only cost to you from this study is your time.

**Will I be compensated for being in this study?**
You will not be compensated for being in this study.

**What are the risks (dangers or harms) to me if I am in this study?**
No psychological, physical, legal or economic risks are anticipated for any informant participating in this research.

**What are the benefits (good things) that may happen if I am in this study?**
There are no direct benefits to you.

**What are the benefits to science or society?**
Indirect benefits could include a comprehensive review of the the sports sponsorship system as it functions at UA. This could serve as baseline research leading to the system...
being enhanced or otherwise revised. As for academic value, this research introduces systems theory into a new area and could demonstrate new applications of the theory.

**How will my privacy be protected?**
Since this research involves relatively few informants at a specific institution, the researcher cannot guarantee privacy, anonymity or confidentiality. Since you were chosen because of your position in the system, the identity of the informant can be easily ascertained. To offer some safeguard, informants will be identified by job position, rather than by your name.

You do not have to answer any of the questions and, at any time, if you feel uncomfortable you may ask to stop the interview.

**How will my confidentiality be protected?**
Each interview will be recorded (if the informant assents). Each interview will be transcribed for future review. Transcripts will be retained by the researcher. Also, transcripts will be included as appendices in the completed research report. To ensure accuracy, each informant will be offered an opportunity to review the transcript. All transcripts will be prepared and maintained on a personal, non-networked computer owned by the researcher. The computer will be password protected and only the principal investigator will have access to the computer. The audio will be erased at the completion of the study.

The researcher reserves the right to publish the results in academic journals and to present the results at academic conferences. In this case, neither the informants nor the institution will be identified by name. Informants will be referred to by job title, while the institution will be referred to as a large, public university in the southeastern United States.

**What are the alternatives to being in this study? Do I have other choices?**
The alternative to being in this study is not to participate.

**What are my rights as a participant in this study?**
Taking part in this study is voluntary. It is your free choice. You can refuse to participate. If you start the study, you can stop at any time. There will be no effect on your relations with The University of Alabama or Crimson Tide Sports Marketing.

The University of Alabama Institutional Review Board (“the IRB”) is the committee that protects the rights of people in research studies. The IRB may review study records from time to time to be sure that people in research studies are being treated fairly and that the study is being carried out as planned.

**Who do I call if I have questions or problems?**
If you have questions about the study right now, please ask them. If you have questions, concerns, or complaints about the study later on, please call Brandt Garrison at 205-887-2231.
If you have questions about your rights as a person in a research study, call Ms. Tanta Myles, the Research Compliance Officer of the University, at 205-348-8461 or toll-free at 1-877-820-3066.

You may also ask questions, make suggestions, or file complaints and concerns through the IRB Outreach website at http://osp.ua.edu/site/PRCO_Welcome.html or email us at participantoutreach@bama.ua.edu.

After you participate, you are encouraged to complete the survey for research participants that is online at the outreach website or you may ask the investigator for a copy of it and mail it to the University Office for Research Compliance, Box 870127, 358 Rose Administration Building, Tuscaloosa, AL 35487-0127.

I have read this consent form. I have had a chance to ask questions. I agree to take part in it. I will receive a copy of this consent form to keep.

___ Yes, you have my permission to record the interview.

___ No, you may not record the interview.

_____________________________________________________
Signature of Research Participant  Date

_____________________________________________________
Signature of Investigator  Date
APPENDIX D

Email Recruiting Script

Dear [Informant],

My name is Brandt Garrison, and I am currently a graduate student at UA attempting to complete my master's thesis. To give you an idea about my study, I am doing a case study on Multimedia rights holders and athletic sponsorship, and my focus is the operating relationship between CTSM and The University of Alabama.

I would like to interview you because of the role you play in the CTSM/UA relationship. The interview will only take an hour (at most), and I can do it whenever and wherever is convenient to you.

I will be happy to discuss any questions you have about the interview or feel free to contact my thesis chair, Dr. Lance Kinney. Please let me know when a good time to set up the interview.

Here is Dr. Kinney's contact information
Dr. Lance Kinney
Associate Professor
University of Alabama
P: 205-348-2401
kinney@apr.ua.edu

Thank you in advance for your time.

E. Brandt Garrison
Principal Investigator
205-887-2231
ebrandtgarrison@gmail.com
APPENDIX E

Telephone Recruiting Script

I am calling in regard to a research study being conducted at the University of Alabama\(^1\). I would like to interview you because of the role you play in the CTSM/UA relationship. This research study examines the operating relationship between CTSM and The University of Alabama\(^2\). I would like to ask you some questions about this topic\(^3\), which will take about an hour of your time\(^4\). None of these questions will ask you about personal matters and your answers will be kept confidential\(^5\). Your participation will help provide better understanding of the relationship between the multimedia rights holder and its university. However, answering these questions is voluntary. That means you may refuse to take part in this study or, if you decide to participate in the study, you may decide not to answer any questions that make you feel uncomfortable or to stop the interview at any time\(^6\). I would like to record the interview for transcribing purposes, do you mind? If you don’t mind, I will now start the recorder. May I ask the first question?

---

\(^1\) A statement that the study involves research.
\(^2\) An explanation of the purposes of the research.
\(^3\) A description of the procedures to be followed.
\(^4\) The expected duration of the subject’s participation.
\(^5\) A statement describing the extent, if any, to which confidentiality of records identifying the subject will be maintained.
\(^6\) A statement that participation is voluntary, refusal to participate will involve no penalty or loss of benefits to which the subject is otherwise entitled, and the subject may discontinue participation at any time without penalty or loss of benefits to which the subject is otherwise entitled.
Interview Questions

Steve Gowan
Learfield Sports Senior Vice President for the Atlantic Region
Affiliation: CTSM/ Learfield (Based in Charlotte, NC)

1) Who do you primarily interact with at CTSM? (H1)
   a. Please describe your professional relationship?
   b. What professional issues do you discuss?
   c. Why is that interaction important?
   d. How do you communicate? Phone, mail, personal? How often?
   e. How structured is the communication? Is regular communication required? Who requires it? What does it include?

2) Do you interact with anyone at UA? If so, who? (H1)
   a. Please describe your professional relationship?
   b. What professional issues do you discuss?
   c. Why is that interaction important?
   d. How do you communicate? Phone, mail, personal? How often?
   e. How structured is the communication? Is it formal?

3) How does CTSM report to Learfield? (H2)
   a. Does CTSM report to Learfield? Is a formal contract submitted?
   b. Who from CTSM prepares the UA report?
   c. Who from CTSM prepares the Learfield report?

4) Please describe the hierarchical structure of CTSM. (H3)
   a. Do you conduct all the job performance reviews?
      i. If so, how often?
      ii. What type of feedback is distributed? Oral? Written?

5) If there is a structural change in the UA/CTSM relationship, who initiates it? (H4) (H6)
   a. When is the change enacted within a contractual period?
   b. How are contract amendments added? Who oversees and signs off on contract amendments?
   c. Is there a formal process for structural change? If so, please describe the process.
   d. Who can initiate structural changes? Who usually introduces change in the contract?

6) Have there been any changes in the formal reporting channels over time? If so,
please describe? (H5) (H6)
   a. Describe changes within CTSM, as well as changes between CTSM and UA.
      i. Why were those changes necessary?
   b. Has the change improved or not improved the relationship?
Interview Questions

Jim Carabin
CTSM General Manager (Senior manager, based in Tuscaloosa).
Affiliation: CTSM

1) Who do primarily interact with at UA? (H1)
   a. Please describe your professional relationship?
   b. What professional issues do you discuss?
   c. Why is that interaction important?
   d. How do you communicate? Phone, mail, personal? How often?
   e. How structured is the communication? Is regular communication required? Who requires it? What does it include?

2) Who else do you interact with at UA? (H1)
   a. Please describe your professional relationship?
   b. What professional issues do you discuss?
   c. Why is that interaction important?
   d. How do you communicate? Phone, mail, personal? How often?
   e. How structured is the communication? Is regular communication required? Who requires it? What does it include?

3) How do you interact with the sponsoring companies? (H1)
   a. Please describe your professional relationship?
   b. What professional issues do you discuss?
   c. Why is that interaction important?
   d. How do you communicate? Phone, mail, personal? How often?
   e. How structured is the communication? Is it formal?

4) How does CTSM report to Learfield? (H2)
   a. Is a formal contract submitted?
   b. Who from CTSM prepares the Learfield report?

5) How does CTSM report to UA? (H2)
   a. Does CTSM report to Learfield? Is a formal contract submitted?
   b. Who from CTSM prepares the UA report?
   c. Who is the UA report submitted to?
   d. How often is it submitted?
   e. Who are the formal/contracted UA reps overseeing CTSM efforts?
   f. How does UA conduct oversight?

6) How do you interact with Learfield (CTSM’s parent company)? (H3)
a. Who is your main contact?
b. Please describe your professional relationship?
c. What professional issues do you discuss?
d. Why is that interaction important?
e. How do you communicate? Phone, mail, personal? How often?
f. How formal is the communication? Is it formal?

7) Please describe the hierarchical structure of CTSM. (H3)
   a. Do you conduct all the job performance reviews?
      i. If so, how often?
      ii. What type of feedback is distributed? Oral? Written?

8) If there is a structural change in the UA/CTSM relationship, who initiates it? (H4) (H6)
   a. When is the change enacted within a contractual period?
   b. How are amendments added? Who oversees and signs off on amendments?
   c. Is there a formal process for structural change? If so, please describe the process.
   d. Who (UA or CTSM) usually introduces change in the contract?

9) Have there been any changes in the formal reporting channels? If so, please describe? (H5) (H6)
   a. Describe changes within CTSM, as well as changes between CTSM and UA.
      i. Why were those changes necessary?
   b. Has the change improved or not improved the relationship?
APPENDIX H

Interview Questions

Bryant Bruce (1 year experience)
Account Executive (Tuscaloosa)
Affiliation: CTSM

1) Who do primarily interact with at UA? (H1)
   a. Please describe your professional relationship?
   b. What professional issues do you discuss?
   c. Why is that interaction important?
   d. How do you communicate? Phone, mail, personal? How often?
   e. How structured is the communication? Is regular communication required? Who requires it? What does it include?

2) Who else do you interact with at UA? (H1)
   a. Please describe your professional relationship?
   b. What professional issues do you discuss?
   c. Why is that interaction important?
   d. How do you communicate? Phone, mail, personal? How often?
   e. How structured is the communication? Is regular communication required? Who requires it? What does it include?

3) How do you interact with the sponsoring companies? (H1)
   a. Please list the sponsors you are involved with.
   b. Please describe your professional relationship?
   c. What professional issues do you discuss?
   d. Why is that interaction important?
   e. How do you communicate? Phone, mail, personal? How often?
   f. How formal is the communication? Is it formal?

4) How does CTSM report to UA? (H2)
   a. Do you have a role in how UA reports to CTSM?
   b. What are your professional interactions with UA officials?

5) Who do you formally report to? (H3)
   a. Is there someone else who you report to on a less formal basis?
   b. Describe the reporting process?
   c. Who reviews your job performance?
   d. How often is it reviewed?
   e. Do you receive written or formal feedback?

6) Please describe the hierarchical structure of CTSM. (H3)
7) If there is a structural change in the UA/CTSM relationship, who initiates it? (H4) (H6)
   a. When is the change enacted within a contractual period?
   b. How are amendments added? Who oversees and signs off on amendments?
   c. Is there a formal process for structural change? If so, please describe the process.
   d. Who (UA or CTSM) usually introduces change in the contract?

8) Have there been any changes in the formal reporting channels? If so, please describe? (H5) (H6)
   a. Describe changes within CTSM, as well as changes between CTSM and UA.
      i. Why were those changes necessary?
   b. Has the change improved or not improved the relationship?
Interview Questions

Jay McPhillips (5 years of experience)
Account Executive (Tuscaloosa)
Affiliation: CTSM

1) Who do primarily interact with at UA? (H1)
   a. Please describe your professional relationship?
   b. What professional issues do you discuss?
   c. Why is that interaction important?
   d. How do you communicate? Phone, mail, personal? How often?
   e. How structured is the communication? Is regular communication required? Who requires it? What does it include?

2) Who else do you interact with at UA? (H1)
   a. Please describe your professional relationship?
   b. What professional issues do you discuss?
   c. Why is that interaction important?
   d. How do you communicate? Phone, mail, personal? How often?
   e. How structured is the communication? Is regular communication required? Who requires it? What does it include?

3) How do you interact with the sponsoring companies? (H1)
   a. Please list the sponsors you are involved with.
   b. Please describe your professional relationship?
   c. What professional issues do you discuss?
   d. Why is that interaction important?
   e. How do you communicate? Phone, mail, personal? How often?
   f. How formal is the communication? Is it formal?

4) How does CTSM report to UA? (H2)
   a. Do you have a role in how UA reports to CTSM?
   b. What are your professional interactions with UA officials?

5) Who do you formally report to? (H3)
   a. Is there someone else who you report to on a less formal basis?
   b. Describe the reporting process?
   c. Who reviews your job performance?
   d. How often is it reviewed?
   e. Do you receive written or formal feedback?

6) Please describe the hierarchical structure of CTSM. (H3)
7) If there is a structural change in the UA/CTSM relationship, who initiates it? *(H4) (H6)*  
   a. When is the change enacted within a contractual period?  
   b. How are amendments added? Who oversees and signs off on amendments?  
   c. Is there a formal process for structural change? If so, please describe the process.  
   d. Who (UA or CTSM) usually introduces change in the contract?  

8) Have there been any changes in the formal reporting channels? If so, please describe? *(H5) (H6)*  
   a. Describe changes within CTSM, as well as changes between CTSM and UA.  
      i. Why were those changes necessary?  
   b. Has the change improved or not improved the relationship?
APPENDIX J

Interview Questions

Chris Bean (Over 11 years)
Senior Account Executive (Tuscaloosa)
Affiliation: CTSM

1) Who do primarily interact with at UA? (H1)
   a. Please describe your professional relationship?
   b. What professional issues do you discuss?
   c. Why is that interaction important?
   d. How do you communicate? Phone, mail, personal? How often?
   e. How structured is the communication? Is regular communication required? Who requires it? What does it include?

2) Who else do you interact with at UA? (H1)
   a. Please describe your professional relationship?
   b. What professional issues do you discuss?
   c. Why is that interaction important?
   d. How do you communicate? Phone, mail, personal? How often?
   e. How structured is the communication? Is regular communication required? Who requires it? What does it include?

3) How do you interact with the sponsoring companies? (H1)
   a. Please list the sponsors you are involved with.
   b. Please describe your professional relationship?
   c. What professional issues do you discuss?
   d. Why is that interaction important?
   e. How do you communicate? Phone, mail, personal? How often?
   f. How formal is the communication? Is it formal?

4) How does CTSM report to UA? (H2)
   a. Do you have a role in how UA reports to CTSM?
   b. What are your professional interactions with UA officials?

5) Who do you formally report to? (H3)
   a. Is there someone else who you report to on a less formal basis?
   b. Describe the reporting process?
   c. Who reviews your job performance?
   d. How often is it reviewed?
   e. Do you receive written or formal feedback?

6) Please describe the hierarchical structure of CTSM. (H3)

7) If there is a structural change in the UA/CTSM relationship, who initiates it? (H4)
(H6)
   a. When is the change enacted within a contractual period?
   b. How are amendments added? Who oversees and signs off on amendments?
   c. Is there a formal process for structural change? If so, please describe the process.
   d. Who (UA or CTSM) usually introduces change in the contract?

8) Have there been any changes in the formal reporting channels? If so, please describe? (H5) (H6)
   a. Describe changes within CTSM, as well as changes between CTSM and UA.
      i. Why were those changes necessary?
   b. Has the change improved or not improved the relationship?
APPENDIX K

Interview Questions

Jon Gilbert
Associate Athletics Director for External Operations
Affiliation: The University of Alabama (Athletics)

1) Who do primarily interact with at CTSM and/ or Learfield? (H1)
   a. Please describe your professional relationship?
   b. What professional issues do you discuss?
   c. Why is that interaction important?
   d. How do you communicate? Phone, mail, personal? How often?
   e. How structured is the communication? Is regular communication required? Who requires it? What does it include?

2) Who else do you interact with at CTSM and/ or Learfield? (H1)
   a. Please describe your professional relationship?
   b. What professional issues do you discuss?
   c. Why is that interaction important?
   d. How do you communicate? Phone, mail, personal? How often?
   e. How structured is the communication? Is regular communication required? Who requires it? What does it include?

3) How do you interact with the sponsoring companies? (H1)
   a. Please describe your professional relationship?
   b. What professional issues do you discuss?
   c. Why is that interaction important?
   d. How do you communicate? Phone, mail, personal? How often?
   e. How formal is the communication? Is it formal?

4) How do you receive reports from CTSM/ Learfield? (H2)
   a. Do you have a role in how CTSM reports to UA?
   b. What are your professional interactions with CTSM officials?

5) What role do you play in managing the CTSM/ UA relationship? (H3)
   a. Do you have any part in overseeing it? Is the responsibility delegated?
   b. Do you receive a formal report from CTSM? If so, from who and how often?
   c. Describe the reporting process on the UA side? And on the CTSM side?
   d. How often do you review the CTSM/ UA relationship?
   e. Do you give formal feedback? It is written or verbal?

6) Please describe the hierarchical structure of CTSM in relation to UA. (H3)
7) If there is a structural change in the UA/CTSM relationship, who initiates it? UA? CTSM? Both? *(H4) (H6)*
   a. When is the change enacted within a contractual period?
   b. How are amendments added? Who oversees and signs off on amendments?
   c. Is there a formal process for structural change? If so, please describe the process.
   d. Who (UA or CTSM) usually introduces change in the contract?

8) Have there been any changes in the formal reporting channels? If so, please describe? *(H5) (H6)*
   a. Describe changes within CTSM, as well as changes between CTSM and UA.
      i. Why were those changes necessary?
   b. Has the change improved or not improved the relationship?
Interview Questions

Lynda Gilbert
Vice President of Financial Affairs and Treasurer
Affiliation: The University of Alabama (Administration)
As a signee on the CTSM/UA contract

1) Do you have a primarily contact at CTSM and/or Learfield? (H1)
   a. Please describe your professional relationship?
   b. What professional issues do you discuss?
   c. Why is that interaction important?
   d. How do you communicate? Phone, mail, personal? How often?
   e. How structured is the communication? Is regular communication required? Who requires it? What does it include?

2) Do you interact with anyone else at CTSM and/or Learfield? If so, who? (H1)
   a. Please describe your professional relationship?
   b. What professional issues do you discuss?
   c. Why is that interaction important?
   d. How do you communicate? Phone, mail, personal? How often?
   e. How structured is the communication? Is regular communication required? Who requires it? What does it include?

3) Do you have any interactions with CTSM sponsoring company personnel? (H1)
   a. Please describe your professional relationship?
   b. What professional issues do you discuss?
   c. Why is that interaction important?
   d. How do you communicate? Phone, mail, personal? How often?
   e. How formal is the communication? Is it formal?

4) Do you receive reports from CTSM/Learfield? (H2)
   a. If so, how do your receive the reports? Monthly written reports? Verbal reports?
   b. Do you have a role in how CTSM reports to UA?
   c. What are your professional interactions with CTSM officials?

5) Do you play a role in managing the CTSM/UA relationship? (H3)
   a. Do you have any part in overseeing it? Is the responsibility delegated?
   b. Do you receive a formal report from CTSM? If so, from who and how often?
   c. Describe the reporting process on the UA side? And on the CTSM side?
   d. How often do you review the CTSM/UA relationship?
   e. Do you give formal feedback? Is it written or verbal?
6) Please describe the hierarchical structure of CTSM in relation to UA. (H3)

7) If there is a structural change in the UA/CTSM relationship, who initiates it? UA? CTSM? Both? (H4) (H6)
   a. When is the change enacted within a contractual period?
   b. How are amendments added? Who oversees and signs off on amendments?
   c. Is there a formal process for structural change? If so, please describe the process.
   d. Who (UA or CTSM) usually introduces change in the contract?

8) Have there been any changes in the formal reporting channels? If so, please describe? (H5) (H6)
   a. Describe changes within CTSM, as well as changes between CTSM and UA.
      i. Why were those changes necessary?
   b. Has the change improved or not improved the relationship?
APPENDIX M

Transcript Memo

Re: CTSM General Manager

Interview type: Semi-structured
Interview date and time: 8:45 am, Friday, July 15, 2011
Interview location: University of Alabama
Informant description: CTSM General Manager

INTERVIEW TRANSCRIPT

State your name and working title.
Jim Carabin, General Manager of Crimson Tide Sports Marketing

Who do you primarily interact with at The University of Alabama?
Primarily - Jon Gilbert and Finus Gaston

Do you mind describing your professional relationship with them?
Most of the time with our contract the way it is set up there are two different areas - the operational/ business side and the marketing side. With Jon, Associate AD for External Relations, I ask him any kind of questions that I have on the advertising side as far as a client is concerned or anything that we are trying to get approved. We also have day-to-day contact I just give him information on sponsors. For example, we are going to have a sponsor on a men’s basketball game and make sure the sponsor is okay. Most of the time it is. If there it is someone that has not advertised with us I am supposed to let the University know. As far as the business side of the contract, Dr. Gaston is the person I report to. I also talk with Coach Moore and Dave Hart too. But as far as the business side, I say communicate with Finus. On the advertising side and radio network side, it is John.

In your communication with Dr. Gaston and Jon Gilbert, is it formal? Do you have a weekly phone or meeting?
It is more informal. It is usually on a case-by-case basis. I try to have 2 or 3 things to talk to them about. During the football season, it is a little more frequent. In the summer, it is not as frequent. We do schedule sometimes when I have a dozen things to set up. So maybe on a quarterly basis. I will go ahead and sit down with Jon and have an agenda and roll through some things. Also, I am over there so often that it can be more informal, and I can just pop in and see those guys. I can just sit down with them for about 10 or 15 minutes to get some questions answered.

Is that interaction required by the University?
Correct.

How do interact with the sponsoring companies? Do you have a set of sponsors that you represent?
As the GM and one of the sellers (we have 5 additional sellers), I would say that I have about 30 accounts that I interact with.

**What is your interaction with those sponsors? Do you have a schedule weekly meeting, phone call, etc?**

It is more formal than the relationship with the University. It is email and phone, and we go out and see them once a month or once every two months. Depending on how high maintenance they are.

**How does CTSM report to Learfield? Yearly? Monthly?**

It is reported more monthly. We are managed by Learfield. I have a monthly GM call with my direct report, who is a Sr. Vice President. I also have a call with our financial analyst every month too. The reports are actually weekly. Well- the sales reports are weekly and financial reports are monthly. I compile the sales report for the entire staff so it is only coming from one person instead of coming from 6 people. So the GMs are responsible for compiling all of that. As far as the accounts payable/receivable, I will get the information from our office in Jefferson City. Then we will just coordinate that on a call once a month to go through everything. There is a budget call that happens once every two or three months to make we are where we need to be.

**How does CTSM report to UA formally?**

For the University, what we will do is (matter of fact- coming up in August). Our fiscal is July 1 to June 30th. After the books have closed, by August 15th we come in and do a yearend in review and we’ll do a settle up at that point. If we are over our number, we will present a check in addition to our guarantee rights fee.

**You submit that?**

Correct. We will do a pretty big presentation at that point reviewing the entire season…breaking down the sales, staff changes, new inventory. What we have done in concessions, merchandise, in venue, online merchandise, photo store, memorabilia store, auction store, all the different things that we do. We will breakdown that how we have done year over year. End of June is our 13th season as the multimedia rights holder. We have 7 more years to go on our contract. We just kind of compare where we have been, where we are, and where we are going. That is what we do formally. But I will make a presentation to them [the University] in August and if there is any additional large things that we need to work on—categorically. Or if there is an idea that we have that might encompass the athletic department or the University, I will make a formal presentation on that. But it is kind of situational. August is the big presentation.

**Other than your interaction with Dr. Gaston that we previously talked about, does UA have any oversight like a monthly report?**

No, they do not. We kind of let them pretty much every month what is going on. We are a little behind or a little head or we need your help on this.

**Who do you primarily interact with at Learfield?**
As far as sales are concerned, that is with Steve Gowan, Sr. VP out of Charlotte. On the financials, it is Ryan Stuart out of Jefferson City.

Please describe the hierarchical structure of CTSM.
Every property has a General Manager. At CTSM, we also have a Director of Operations and Sponsorship Coordinator/ Auction manager & memorabilia store. We have 5 sellers that are with us, and we have 6 interns this summer. Kind of off to the side because they are not here in the office, the radio network is here. I forgot the Director of Broadcasting, Tom Roberts, who is here full-time. Also, the radio crew for football, men’s basketball, women’s basketball, baseball—we produce all those games as well. They report through me. Also, the concessions side of the business reports through me too.

So you have have 3 different divisions- radio, concessions and sales that report all to you? Regarding the Director of Operations and the Sponsorship Coordinator, do they report to the sales executives?
No, they report to me.

If there is a structural change in the UA/ CTSM, who initiates that? For example—when concessions was added.
Actually concessions were included in our bid. I believe it was in 2006-2007. They [the University] put out for bid the signage, pouring rights deal, the concessions deal, and the sideline rights which is the Gatorade deal. So they put all that in, and Learfield made a bid and was awarded that for 10 additional years—which started July 2008.

So UA initiated all that?
Correct.

If there is amendment during the contractual year, who initiates that and can you describe that process?
We would work with legal counsel and the athletic department in amending the contract. There has been sometime where we had to do that because the rights have changed…particularly with the SEC and the ESPN contract. I think next year we will probably have an amendment because of the XM contract on our satellite radio deal. That was kind of an addition that we just added. I am sure that one will change. There may be some additional rights that may have to be included in there—like social media or digital media. Some of the different things that the SEC and ESPN contract have kind of taking over or infringed on our contract. I would say probably need an amendment at some point.

Has there been an opportunity where CTSM or Learfield have initiated the amendment?
Yes, both parties can initiate the amendment.

Have there been any formal reporting channels?
In my 3 ½ years, they have not changed.
Do you have anything to add?
No.
APPENDIX N

Transcript Memo

Re: CTSM Account Executive

Interview type: Semi-structured
Interview date and time: 2:00 pm, Friday, July 22, 2011
Interview location: University of Alabama
Informant description: CTSM Account Executive

INTERVIEW TRANSCRIPT

State your name and working title.
Jay McPhillips, CTSM Account Executive

Who do you primarily interact with at UA?
In regards to UA (athletics), the way that we channel information like is through Jim Carabin, and I think his direct contact is Jon Gilbert. It can be situational. He can also go to Dave Hart, Mal (Moore), Finus. But one of his main points of contact is Jon Gilbert.

Do you directly work with anyone regularly at UA?
We work with the marketing staff on a daily basis with sponsorship activation elements, questions of possible sponsorship that are out there, what are our capabilities, what we can and cannot do. The four main people are Rick Burleson, Jennifer Martin, Kimberlee Johnson, and Caitlin Wood. They are all sport-assigned. So it depends on the sport. For general activation questions, we go to Jennifer Martin, Director of Marketing. The questions are a lot about activation or game script. The flow of how all marketing elements flow on gameday. Outside of them but associated, we deal with Crimson Tide Productions. They are the visual and audio elements at the athletic events…LED sponsorship, etc. Jim will communicate a lot of questions about negotiation on what we can and cannot do and that usually goes through Jon Gilbert. Once we get the elements agreed upon in place, then that is when the marketing and CTP people come in.

Do you have any kind of weekly meetings with the athletic marketing department or CTP?
We don’t have weekly meetings. I have actually proposed that we should hold sport specific meetings…well before the sport starts. Just to make sure that we are all on the same page. Internally with CTSM, we know some of the elements that the other AE have pitched. To where we know if it is one specific promotion that four AEs are trying to sell, then we can communicate with each other to see who is the closest to closing the deal. We try to let the marketing dept. know about the promotion before we sell it. We try to keep them in the loop of promotion that we are selling. Just to help things run smoothly.

How do you communicate with the marketing dept?
With the marketing dept, we can just run down the hall if we need. More times than not if it is quick questions that I don’t need to know immediately, then I will email. If I have a question for a proposal that I need answered quickly, then I usually just call them. If I have a sponsor that says we really want to do something with baseball but they don’t have any specific ideas, then I will set up a meeting with marketing. We will brainstorm some ideas and kick some possibilities around.

**How do you interact with the sponsoring companies?**
Phone and email. There has be a gradual shift even in the short time that I have been in corporate sponsorships sales. People are more and more reliant on email. A lot of time your initial contact is over the phone. It depends on their level of responsibilities. So email works better with their companies.

**Do you mind listing some of your sponsors?**
Alabama Department of Public Health
Hardees,
Arby’s
RBC Bank
Bromberg Jewelries
McAllister’s Deli
US Army
Taco Bell
Texas Pete Hot Sauce
Alabama Organ Center
Bojangle’s
Kia

**Do you have a formal interaction with sponsors?**
Depends on the client and depends on the time of year. Obviously the two or three weeks leading up to football season, I am talking to clients on a daily basis or everyday basis because that is when we have a lot deadlines. We need approval and things…so it is more frequent communication. If they are coming into town for a gameday, then we are lining up the gameday activation elements. In the off season if it is a football only sponsor and they are only doing football elements, and they have told you we are not going to look to renew our deal until the spring, then there is not a lot of communication. But I don’t think you can ever contact them too much…unless they tell you stop calling me. It is important in our business to keep constant contact so that you are not hitting them up whenever you talk to them.

**How does CTSM report to UA? Do you have role in that?**
They (Jim and UA major players) do an end of the year report. Our fiscal year ends June 30th. Start of the new year is July 1. So once June 30th hits, we may not have been paid by all of our clients, but we know where we are going to fall as far as how much money has been generated. Then we do an end of the year wrap up proposal with the upper administration in athletics. Jim runs most of that. We do our individual reports and give them to him. He has such a close tabs on our individual sales that he knows where we are
almost on a daily basis esp. this time of year. Jim updates them throughout the season. He gives them a snap shot of what we are doing. I don’t think there any kind of official or formal report throughout the year—just the end of the year report. He just keeps them update to on where are on the goal number.

Do you mind talking about the hierarchy of the CTSM office?
Yeah, we have one general manager and five account executives. Technically, all the account executives are on the same playing field as far as title goes, but we have different goals and expectations. So I guess its tiered to some degree, but whoever generated the least amount of sales in the first year, there is nothing preventing him to being the top seller in year 2. Everyone is on their own as far as going out and generating new business. We are kind of on the same playing field, but as far as individual goals and expectations that Learfield puts on us, it is tiered.

Do you have a weekly report that you submit?
Yes, it goes to Learfield through Jim. They (Learfield) gives us weekly reports. Once a contract hits the book, we get a report that says this contract hit the book and this is your progress to your overall goal. Recently, they started doing reports showing percentage categories. We declare things in percentage categories. If you first pitch something to someone, they are in the 50% category. If you start exchanging specs and deadlines, then you may move them into the 60% category. They are 60% part of the start to finish sales process. If they ask you to put together a contract, then you could move them into the 70%. If they verbally commit, then they move to 80%. From there is no 90%, you either close it or you don’t. 50, 60, 70, 80 are the four categories we put clients in. We declare on a weekly sale summary that we submit to Jim where all the clients are. Here is all the proposals pitched this week and meetings for this week. Here is what I have going on next week?

So Learfield sends the reports back to you.
So, We submit all signed contracts by Friday of each week and by Wed/Thurs of the next week, Learfield sends us our reports stating where we are as a group, and also where we stand individually as sellers. Not only does the report show closed business, but it also shows what we have in our “pipeline” (likelihood to close being 50%, 60%, 70%, 80%).

Is there someone else that you informally report to on a weekly basis?
I formally report to Jim on a weekly basis, and I informally report to Jim on a daily basis. We do have a Monday morning sales call with our regional vice president, Steve Gowan. Jim first reports to Steve Gowan. He kind of keeps up with the activity of our property. Specifically with my activity, I met with Jim on Thursday mornings one on one. I will use that time to bounce ideas off of him. If I don’t get a chance to ask him things, then I compile a list for our one-on-one meeting. Because he meets with us and knows the deals that are going on, you know I tell him in those meetings, I expect to hear from client x on Friday morning. He will stop by and ask what happened with client x.

Who reviews your job performance?
Jim reviews my job performance. We met with him one-on-one once a year. Learfield has a annual performance review form that Jim uses. He discusses my scores with me. I receive a written copy of it.

**If there are any structural changes in the UA/CTSM relationship, who initiates it?**
Crimson Tide Productions becoming more involved with the sponsorship implementation as it relates to video boards and LED boards. Internet content has changed some. Some of that has changed over the last couple of years. Moving the marketing staff over here in the stadium has been a change. We needed to work with them in the same office because so much of the stuff we each do relates to one another. They don’t technically report to Jim, but I think they are encouraged to keep him updated. It has improved our relationship with the athletic department because they have a better understanding of what we do, and we have a better understanding of what they do. Before we were completely removed, everything was over the phone. They didn’t see the sales process. Now they occasionally sit in on meetings we with us. They get to interact with the client some, and they see what we have to deal with on the sponsor side…high maintenance clients. Before they didn’t understand the process that we have to go through. We are the moderator. We moderate the client’s expectations and the University’s expectations. We have to find the happy medium between the two and sometimes that is not the easiest thing to do. Now that they are over here, I think they understand that a little more.

**If amendments are added to the contract during the contractual period, how are they added and who signs off?**
Probably only Jim could answer that. We hear about some of that happening. Like when they added Foster Auditorium. They were adding new signage, video boards, courtside signage. All that kind of stuff. We hear about that those things happening, but as far as a rights fee changing, we are not involved. Pay-per-view football question has been a hot topic for a few years. Because the new ESPN contract televisions all of our games but one. A few years we were pay-per-viewing four or five games a year.

**Is pay-per-view a good thing or a bad thing for CTSM?**
Pay-per-view is better for the rights holder. To the University, they either get money from the ESPN contract or get money on the rights holder side. The ESPN contract is a deal with the conference and then schools split the money from the conference. I don’t know the numbers to know if the school benefits from ESPN doing one more game than a pay-per-view. The school also benefits from the exposure. I know that has been hot ticket item. I know it has been in some rights fees discussions. I would say it is initiated by both. We go to them with new inventory ideas, and they come to us with ideas. I think it is kind of both.

**Have their been any changes in the formal reporting channels?**
Jon Gilbert’s position was added. He was promoted to Senior Associate Athletic Director. He became our liaison. For awhile, we were running everything through Finus. I think they were trying to streamline the communication. Jon distribute the information. But that doesn’t mean we don’t have access to the athletic department.
Do you know when he was added?
Roughly 2 years ago.

Do you think adding that position has helped the communication?
I really think it may depend on the person in that position. If it is someone who understands and grasp multimedia rights holders, then I think yeah it helps. But if you get someone who doesn’t understand why it’s important to have ambassadors for us on the athletic department side. Some people over there (a coach, manager, equipment person) have zero understanding of what we do. But having people like Jon and Finus is important. They do the best job they can to communicate what we do to everyone and why it is important to help us. More and more people are realizing, the more they help us—the more money they can make. The checks have gone up over the years. We are getting more help from the athletic department. You can directly relate our success with the increasing help from the athletic department.
Re: Jon Gilbert, Associate Athletic Director for External Operations

Interview type: Semi-structured
Interview date and time: 2:20 pm, July 28, 2011
Interview location: University of Alabama
Informant description: Associate Athletic Director for External Operations

INTERVIEW TRANSCRIPT

State your name and working title.
Jon Gilbert, Associate Athletic Director for External Operations

Who is your primary contact at CTSM? Please describe the interaction.
Jim Carabin. We talk on the phone probably multiple times a week.

Is that situational or scheduled?
Situational.

What kind of professional issues do you discuss?
Mostly we discuss contract issues, and he gauges our [the UA athletic dept.] response on sponsorship issues. Example- “Would you being willing to do a sponsorship with dog food. Purina wants to do this promotion. Are you comfortable with that?” So he and I discuss those issues before they finalize deals on their end. The majority of our conversations are related to those types of issues or personnel issues within his area.

Regarding a sponsor- does Jim contact you before or after they have pitched a sponsor?
Before and during the process. He does call to check on if we are comfortable with them moving forward. Another example would be a casino. “Are we willing to take a casino on as a sponsor, and here is what they would expect in return.” So he and I would discuss something like that. We also discuss during the process. For example, we are going to do a break sponsorship- Acme Break company. It is a break company. They were going to do a break of the game for basketball. They had already signed up for the sponsorship. The company wanted to show the “Break of the game,” and it would be a bad of the opposing team. CTSM had already signed the sponsorship, and we were not comfortable with the promotion. We allowed it to go on in game, but it would be bad shots from all over the country. So it would not highlight the team that we were playing. So issues like that we are talking pretty often. Now we can go days without talking and then 5 times in one day. It just really depends on the scenario.

Is most of your communication in-person, email or over the phone?
I would say most of it is the phone first, email second and in-person third. I think a lot of that has to do with proximity. The other issue is that Jim and I have known each other for a long time...even before he came on with CTSM. So I would say we know each other really well. So phone is the primary mode of conversation.

**Just to be clear, there is no required formal communication.**
No, there is not.

**Do you have a primary contact at Learfield that you regularly interact with?**
No. When they come into town, I will have contact with them. But I am not regularly speaking with them about CTSM.

**Is there anyone else that you interact with regularly at CTSM?**
No, not really. I guess that is probably more management style. I tell you one of the other areas I manage is the ticketing office. Very rarely will I deal with anyone else over there except Chris. I don’t want to get into the minutia of what they are doing and how they are doing it. I try to go through him so that he is aware of it, and it filters on down.

**How do you interact with the sponsoring companies?**
Most of it is gameday interactions or function interactions primarily. Occasionally depending on the sponsor, I will have interaction with them on the front end. An example would be if they want to do something at a basketball game that we have not done before. They want to see the arena, they want to met the coach, those type of things. I will help transition that. Most of it is gameday or event touches where I see them.

**During those interactions, are there any business transactions?**
No, it is more like a meet and greet. There are no business transactions.

**Do you play a role in receiving the reports from CTSM?**
I do. Now, Finus is more the contract person. But I do receive all the reports and contracts as well. I receive those usually yearly compromised from Finus. I get a book of contracts, and it will have everything that they are doing for that year. So I will go through them on the front end and look.

**Describe how you manage the UA/CTSM relationship.**
Myself, Finus, and Dave share in that relationship. We all communicate with one another, but if there is a contractual issue, then Jim is probably not dealing with me on that. Now, I am aware of it. I know about it, but I am not doing the devil on the details in that. Vice versa, Jim is not calling Finus and going “how do we feel about this sponsorship? Do we think we can do of this?” He is calling me in that regard. But again if there is something, all 3 of us are aware of the situation.

**How are you made aware of the situations that come up? Email? Phone?**
Both. Phone. Email. Or meet. It maybe “hey we are going to do and we will you and Finus figure out the contract and move forward.”
Please describe the hierarchical structure of CTSM in relation to UA.
Well, Jim is the GM, and he is our direct contact. I would say our other staff deals with Jim’s staff when it comes to running an event…lining up needs of a sponsor. If Golden Flake is the game sponsor, Jim and I are not talking about that. Let’s say Tom Brooks has Golden Flake. Tom Brooks is talking to our guys about Golden Flake needing two signs and pregame promotions. So they are really coordinating that with our people who are implementing that one gameday. Jim and I are not really talking about those issues.

From your perspective, who does Jim report to.
I would say that is probably Steve Gowan with Learfield. Now if we had issues with Jim, then we would call Steve and voice those concerns. Really I guess a primary issue would be if our numbers were bad…which they are not. But if they were, then we would talk about why our revenue was not what they projected. Or some sort of personnel issue…which we have not had. But if we had issues with Jim, we would go to Steve Gowan first.

If there is any structural change in the UA/CTSM relationship, who initiates it?
Both. If there is a change in the relationship, it is probably contractual. We would look to open that up or engage in discussions of looking at the terms of the contract. If there is opportunity for change, then we would review the terms and make changes. It really depends on what it is. We are really flexible with them. Example- when we played in the BCS national championship game, we had a small marketing committee of 6 or 7 people that were talking about if we win this game, then we will play in the SEC Championship game. Well, you have to have those discussions weeks, month in advance. And then you really got to talk about now if we win this game- here is what we have to be ready for literally when the game is over. So if we win that game, we are playing for the National Championship. So we had to talk about all the scenarios that could play out. Now, no coaches are involved in that, and you really don’t want a large group because you are in the first week of November. And you are talking about if we beat LSU, then we have a chance to play in the SEC Championship game. We need to start working on a special program called the “Road to Atlanta.” If you win the game, you have to be ready after the game with the shirts, the jerseys, the sale items, the special products. So we have from time to time, come up with special products that will bring new revenue to Jim that is not existing revenue. And we may negotiate a little higher split on our end because we have come up with it. It is something new. He really doesn’t have to do anything other than share in the revenue because he owns the rights to it. So let’s just say it is the “Road to Pasadena” magazine or something like that. Hey we want to do this magazine. We will do it all in-house. You can sell the sponsorship to it. I’ll make up the percentage. Instead of us getting 2 percent, we get 5 percent. He say “o, that is great. We’ll take the other 5 and move forward.” So we do have that type of negotiation on certain things.

In that situation, are they responsible for selling it?
Yes. Not that I can think of. We have not gone out and really sold anything. We might get really close. But at that point, we turn it over to them and let them complete the transaction.
If an amendment is added during a contractual period, who is involved and what is the process?
Typically Finus and Jim will start the process to get any contract amendments done. There is a formal process. We will run it through everyone. We will run it through our legal. Learfield will run it through their legal. It will pass everybody that is a player in the process.

Have there been any changes in reporting channels? If so, please describe.
Well, we have evolved since I have been here. They have reported directly to Finus. They have also reported directly to Mal [Moore]. I can’t remember Finus may have had them before I had them. It has changed hands a few times. Now, I will be the first to say it is not a clear cut line right now. Now, we all work pretty well together. Finus will handle more the contractual issues. I handle more the day-to-day sponsorship stuff. But we all deal pretty well together on that.

So when did you take over the day-to-day issues?
I would say 15-24 months ago.

Why were those changes necessary?
I think we just restructured. That was about the time I took over the marketing department and ticketing office. It just all made sense to fit it all together. At that time, Finus was more CFO. He was over the contractual stuff. Like even an example with that, I oversee men’s basketball. Finus really has nothing to do with men’s basketball. Other than, he signs off on the contracts for away games. Now, I do all the work prior to that. We’ll help negotiate the money. We’ll help do all those things, but he does all the contracts for us. So he is kind of the final approval on that. Even though, he is really not engaged in the day-to-day of basketball.

Have the changes improved the relationship or not improved?
I would be interested in hearing what Jim has said. I would say that is has stayed the same. I think it could be better, but I think it is working well under the current personalities.
APPENDIX P

Transcript Memo

Re: CTSM Account Executive

Interview type: Semi-structured
Interview date and time: 3:00 pm, Friday, July 29, 2011
Interview location: University of Alabama
Informant description: CTSM Account Executive

INTERVIEW TRANSCRIPT

State your name and working title.
Bryant Bruce, CTSM Account Executive. 1 year of experience.

Primarily who do you interact with at UA and describe your professional relationship.
I interact mostly with the UA marketing staff and staff of Crimson Tide Productions. Both are employed by UA. UA Marketing staff would be mainly promotional ideas...if I needed to bounce things off of them. Because they implement all of our promotions. That would be anybody from Jennifer Martin, Rick Burrelson, Caitlin Wood, Kimbree Johnson and obviously some of the student workers as well. Also with Crimson Tide Productions, they are the design, creative, graphic design arm of the athletic department. I work with Stephen Funkie, Milton Overton (I think he is over CTP), and Brad McLaughlin. That is anything from to help me with proposal designs, LED purposes, things on Rolltide.com, banner ads, designing, feature, you name it.

Do you usually approach them when you are pitching a client? Are they in the whole process?
It is like a need basis. For example- if I am putting together a proposal for a client and I am trying to think of some ideas, then I would reach out to UA Marketing. Maybe call Rick and say “You know Rick, I have this client. Client X. They really want to do something that is interactive with fans. They want to give-away so many items. What is something cool we could do?”

Now I would go to Stephen and those guys at Crimson Tide Productions and say “I have a client that is interested in doing an LED for a game or a unique feature for basketball...for football. What is something that you were planning on creating this year? Or maybe can you do a mock-up of a LED inside Bryant Denny or a feature and include my prospective client in it.”

If a client wants to do a LED, can the client provide their own artwork or do they have to use Crimson Tide Productions?
Crimson Tide Productions can create it for us. We also outsource that. It used to be Keyframe, but it is a new company now. Clients can design it themselves if they have the creative ability. Most of the time if I have something like they example I gave you. The mock-up would be for an example purpose. Show them what an LED is. Maybe take an ipad or send them an email and do a conference call, and tell them to click the link to see the LED. Now this is what your LED would look like. I can show them a picture, but when you can see it and the crowd is in there. They can see what the LED is. You have a lot better chance of them being like “okay, this is really cool.” It is eliminates a lot of the gray area too.

**To get back to your interaction with UA Marketing and CTP. Describe your regular interaction. Is it phone, email, face-to-face? Situational?**

Yeah, it is situational. Mainly it is email. I have so many emails come by my desk. I will call sometimes because I just hate emailing back and forth. If it is UA Marketing, they are right down the hall. And they are cool. Open door policy and say “hey rick, hey Jennifer.” Everyone is really cool and laid back. Mainly situational and informal.

I interact with some other UA departments too. I have worked with the ticketing office. Chris Basaunsenee and his crew. I have worked with event management…getting things approved. Fan experiences. You know I may have a client who needs to go down on the field. So I have to get passes. Technology- maybe I am having an event…work with UA Technology. Make sure the sound system is on and the projector is down. I have probably worked or interacted with each individual in the athletic department, but on a daily basis, I spend more time interacting with UA Marketing and Crimson Tide Productions. There is no formal meeting biweekly or anything. Now Jim Carabin meets with the athletic department each week. Our director of operations meets with them. My meetings with them whenever we can get together.

**Describe your interaction with your sponsors.**

I have clients that are very small. When I say they might spend in the thousands of dollars to clients that spend over 100 thousand of dollars. You have some clients that are more laid back than others. Then you have some clients that are a little more high maintenance. It is seems like the majority of the high maintenance clients are the ones that don’t have as large of budgets. There is not a problem with that. I understand that because they are extended their advertising dollars and it is a big deal to them, and they want to make sure it is used well. But it is weird, you would think that if I am spending over 100 thousand dollars, that would be the high maintenance one. But they are pretty straight forward. The ones that spend less than $10,000—they are the ones that call and email on a daily basis. Saying “hey this needs to be tweaked, etc.” Let me think of some corporate partners. Full Moon Barbeque- great relationship. I try to make it to Birmingham at least two or three times a month to visit with corporate partners. I’ll go the restaurant there. I know the owner, Joe Malluth. He started the Full Moon Franchise. We sit down and he feeds me. He always introduces me to everyone. You can tell he wants me to succeed. He loves his sponsorship. He even went out of his way the other day to walk me across the street to introduced me to a client that I had pitched. He is on my team. You have some clients that they just want you to implement their stuff and that is it. Then you have some that
you talk to a few times a week. They are in my corner, but it can be hard to work with sometimes. It is just getting over that client/friend relationship.

**How do you usually communicate with your clients? Phone, email, face-to-face? Do you have regular schedule calls with your clients?**

No, I don’t. It just depends on the client. Some you can text message. I would never do that. I don’t think that is business formal. Some don’t care. They even text message me. Some might not care, but you are on that level yet. Some you might call. It just depends. They are all different. They are just like you or me. At first they might be all business, then I get to know them and they become more laid back. No, I don’t have any type of schedule. Obviously if you have a deadline approaching, you need to get in front of the client and get it closed. But if I am in Birmingham, I’ll try to go see them. I also like to send notes on different articles or announcing new inventory.

**What kind of professional issues do you usually discuss with your client? Go through the process of approaching and retaining a client.**

Okay, well if it is someone I have never called on before. Say it is company X, and they just moved into town. We have 4 account executives and one gm. We don’t have any kind of territory, region, etc. It is on a claim basis. If I heard that company X was moving to town, then I would claim it…which means I can call on them and no one else can. Then I would call on them. I would explain to them who I am and what I do and how I can grow their business. Just give them the opportunity to be involved with Alabama Athletics, and the exposure of our loyal fans. Obviously, my goal on the that initial call is get in front of them…schedule a meeting. Once I schedule a meeting, we do a needs analysis or fact find. So on that first meeting, I will get to know more about that company…what their goals are marketing wise. Also, get an idea for their budget. Because everyone has a budget…that is key. And then I will give them an overview of what we can do to help and sort of recommend some areas. It is really informal. And the end of the meeting, I will ask them if we should proceed. At the end of that meeting if it makes sense, then I will suggest to put together some things together. I try to set up another meeting before I leave the first one.

After we have a fact finding analysis, try to set-up the next appointment and have a proposal for them. You try to get a date before you leave. It is hard to but you need too. Once you get that established and you get a proposal made, get it approved through your GM…the inventory and the cost. Schedule something to meet up and present them the proposal. It doesn’t it always work like that. They might want you send it to them…or you might have to present it to a board or something. That is what you do. You present it to them. 9 times out of 10 they are going to want some changes. Or they want to look at it and get back to you. It is sorta like a game. Just trying to get in front of them and say “okay, is there a problem here…” Sometimes they don’t like telling you no or maybe they are busy. You kinda have to chase after them, but once you finally get them to a no or yes. That is pretty much the process. I left a little bit out, but that is pretty much the process. That is what my job revolves around. You know getting that initial meeting then getting a no or yes. Then you start building that relationship and focus on renewals. Once the contract is signed, I focus on service, implementing the inventory that was sold.
Whether it be print or sending them the timeline for the specs and deadlines for the inventory. Service is key. It could effect whether they will renew next year. Obviously, ROI has a big impact for them, but they can tell if you don’t care. You really want to look at it as a long term relationship. Not only is it good us, but it is better for the client that they just aren’t a blemp on the screen. Coke and Golden Flake have been here for 50 plus years. It something people think of when they think of Alabama football. Grow and nurture that relationship. You hope to build on it for many years to come.

**How does CTSM report to UA? And do you have a role in that reporting?**
That would be through my General Manager, Jim Carabin. I am pretty sure during the major months they do a weekly athletic department meeting and Jim goes to that meeting. He has other meetings too. He will report any other questions that we have at that time. He might do some other informal communication through email with his contacts (Finus, Jon Gilbert). If we have a question that needs to be approved, then he will take it to them. Example- can I have a client have their logo on will call tickets. That is something that we don’t have the rights to per say. But it is something that we can generate revenue from and might save the University some cost. Jim will take that to them. He usually has a list of things instead of always hitting them up. He will come back and say whether or not they are okay with it.

**Do you submit a formal sales report?**
Not to UA. Each week I have to do a sales summary, and I submit that to Jim. He sends that to our regional manager, Steve Gowan.

**Who do you formally report to?**
Jim.

**Is there anyone else that you report to on an informal basis.**
No.

**Describe the reporting process.**
Every Monday morning we have staff call with Steve Gowan. Jim and I have a one-on-one weekly meeting scheduled on every Wednesday. It is just a tracking meeting. Where are you on your goal. How can I help…that kind of meeting. I will take a list of questions in there that I have compiled for the week.

**Who does your job performance review?**
Yeah, I have only one so far. I believe it is an annual review. I received written feedback, but we discussed everything. I believe he uses the Learfield annual review process.

**Please describe the hierarchical structure of CTSM.**
Steve Gowan is the regional VP…then it is Jim Carabin, the General Manager. We are pretty much even across the board. Other Learfield properties have senior account executive, but we are all considered account executives. Since I have only been here one year, I am probably the newest. No one has the title, but I would say Tom Brooks or
Chris Hand since they have been here longer and have more experience. That if Jim was out, he might Tom to help out with something.

**If there was a structural change in the UA/CTSM relationship, who initiates it?**

It would probably Jim or Steve Gowan. I think Steve and Jim would work that deal through Finus and Jon Gilbert. Those guys would set that up. They are the ones responsible for negotiating that deal. I don’t play any role in the contract between UA and CTSM.

**Have there been any changes in the formal reporting channels?**

No. Not that I know of. I just take things to Jim.
APPENDIX Q

Transcript Memo

Re: Vice President for Financial Affairs and Treasurer for The University of Alabama

Interview type: Semi-structured
Interview date and time: 8:35 pm, July 30, 2011
Interview location: University of Alabama
Informant description: Vice President for Financial Affairs and Treasurer for The University of Alabama

INTERVIEW TRANSCRIPT

State your name and working title.
Dr. Lynda Gilbert, vice president for financial affairs

Do you have a primary contact at CTSM and/or Learfield?
Normally, I work through Dr. Finus Gaston, who is the CFO of athletics, on any issues with that.

Do you mind describing that relationship? Do you meet with him once a week or just if something comes up? Is the communication primarily over the phone, in person or email?
It is ad hoc when we have an issue then he and I either converse on the phone or by email.

Just to confirm. All your communication to CTSM and/or Learfield goes through Dr. Gaston?
Yes, that is correct.

Do you have any interaction with the sponsoring companies?
No, that is all left up to CTSM.

On the reporting, do you receive any type of report from CTSM or Learfield?
No.

Do you play a role in managing the CTSM/UA relationship? If so, how?
At a very high level. Only if there is a political issue that may come up or a legal issue or a financial issues that requires my attention. But primarily it is Dr. Gaston and his role with that.

Regarding a political issue, please elaborate or give an example.
If there is a legal dispute between two companies impact us prolifery. It may come to my attention.

**Do you have any role on the structural change? If there are amendments to contract, when do you come in on that?**
On the end of it. It goes through Dr. Gaston’s review, legal review, and then at the end, I review it. If it is appropriate and agreeable for all parties, then I sign the document.

**What kind of red flags are you looking in review the contract and amendments?**
Primarily financial and protecting the best interest of the University. I also examine it from a relational perspective. If the agreement conflicts with another agreement that the University might have in place or if I see a political issue with it. Or if it needs to go to the Board of Trustees for approval then we flag that. It is all of those kinds of issues beyond the straight contractual.

**Have there been any changes that you know during either contract in how the reporting comes to you?**
It is always been through Dr. Gaston.

**Do you have any added comments?**
At the University, there are limited number of individuals that have signature authority, which is the ability to bind the University to a contract. I am one of those, and that is why my name ends up on the contract. Part of that reason is because we look at it from a very high level. We read the contract obviously. But by the time, it comes to me the contract has been pretty well vetted. We look at from more of a political perspective. We discuss financial issues with Dr. Gaston when needed or legal issues with the legal staff. Normally, by the time I receive the contract most of it is pretty well set in stone. If we had a department that was not as well managed as athletics, I would probably be much more involved in it. Dr. Gaston is very knowledgeable and very skilled. So I don’t have to be as involved.
APPENDIX R

Transcript Memo

Re: Steve Gowan, Senior Vice President at Learfield Sports

Interview type: Semi-structured
Interview date and time: 2:00 pm, September 23, 2011
Interview location: University of Alabama- Bryant Denny Stadium
Informant description: Senior Vice President at Learfield Sports

INTERVIEW TRANSCRIPT

State your name and working title.
Steve Gowan. I am a Senior Vice President with Learfield Sports

Who do you primarily interact with at CTSM? What is the interaction? Formal? Informal?
Primarily would be our General Manager, Jim Carabi, but I do have ongoing dialog with all the staff…all the sales staff including our Director of Operations and our intern group. But primarily it would be Jim. We have a Monday morning staff call that is 30 minutes in length. It is from 8:00 am to 8:30 am central time. The agenda for that meeting is an around the horn. Each salesperson will take a minute and talk about the highlights of their previous week. Whether it be appointments…business that has progressed or closed. And then they will use the last few minutes to go over the schedule for the current week. I may ask questions others in the room may ask questions for clarification. But each seller does that. We go around the horn, and then I will have a few corporate level announcements or emphasis or things I want to touch on, and Jim may have some. We usually break up that part of the meeting that I am on for those 30 minutes by phone. They may continue longer and touch on some more detail, implementation, brainstorming that kind of thing. But the core of the sales call is the part that I am on. Now secondly to that, Jim and I have a standing one-hour meeting each month. We call them GM calls…monthly GM calls. He sets the agenda. There are standard items on the agenda…sales forecasting, blah, blah, blah. But we spend an hour on the phone once a month. In addition to, I will tell you that a five-day work week if Jim and I go less than 3 days a week talking for one reason or another—I call him, he calls me. That will be a rarity. I won’t say once a day because there might be one day I don’t talk to Jim. But between email or phone, we communicate everyday.

So you have the formal phone call and then it can be situational too?
Yeah, “hey I want to update you on this. Or hey I just got this call from this person. Or it could be about working with a seller on a certain account. Here is what we are thinking. I am trying to figure out how to position this from an exclusive standpoint or whatever.” It could be he needs a contract reviewed. It could be I need some best practices from another property on a certain account, certain category, or certain situation. It could be something that we have been positioned to take an advantage of an investment
opportunity in a piece of inventory. We have to decide if we want to go back to the ownership group and ask for the money to invest in something. Whatever it might be. So it is a myriad of topics.

Do you interact with anyone at UA? Is the interaction formal or informal?
I do. I would say probably prior to Dave Hart’s leaving for Tennessee. It would have been Dave because he area is kind of where CTSM fell. Jon Gilbert, Mal Moore, not as much in the last couple of years but Dr. Finus Gaston, obviously. He was very involved in our project. Jef Puritan from time to time if it is a football matter. Jim deals with Milton Overton and the digital media group. I don’t personally deal with them…that is more Jim.

As far as it being formal or informal—when I am in town, I would always schedule a time to go sit down and go talk to Dave and as needed by phone. Formally—once a year (usually in August) we sit down and we bring in a business year-in-review document that Jim puts together. He and I edit it. It has got that any sort of financial information that in applicable to the previous year. That is Mal, Dave, Finus, Jon Gilbert and Jim and all of us.

How does CTSM report to UA?
That meeting in August. Now there are some progress reports that we will provide. And there is on-going dialog. Now Jim works with Jon as a primary contact. I get brought in as needed. But certainly when I am here I go over and spend some time and make sure we are doing what we need to be doing or ask question about what is coming up. A lot of times I like to hear from them things that might affect college athletics in general. Let’s be honest—if things are going to happen, the things that kind of hit the radar if you start at the bigger, more prominent properties. If something is going to be an issue, it might bubble up first at Alabama. For instance he might say “you know what NCAA is talking about this…or we had this issue in licensing.” It is just kind of industry trends that I like to learn from those guys. It is just not about our business here, but about the global out source multimedia rights business in general. Because then I can go back and take that to our leadership team and say “I was at Alabama the other day and they are talking about x, y, and z. We need to be on the lookout for that. Or we should send a note out to our 50 other GMs to give them a heads up and this is the company’s perspective.” We are trying to take something that happens at one place to step and repeat or step and distribute a strategy to handle it at 50 other places. So that every time it pops up at a school, we are not having to “okay, a long process of how to handle whatever it is.” It could be an opportunity. It could be the NCAA approves to do x, y, and z. How should we handle it? Well, we need to develop a rate card or how to package it or how are we going to make it into a sales package. Ya know that is the things we need to be learning from interaction from schools like Alabama.

How does CTSM report to Learfield?
Ongoing. We tell the properties “your job is to nurture the school relationship with our partners (the athletic department and the institution) and move the top line revenue number. So if you notice the invoices, bills, and statements are not sent out from here. All
the back office—hr, affiliate work, and all of that stuff connected to the project is not done here on site. That is done Jefferson City and all the sales tracking is done in Plano, TX…Dallas. So we try to take as much as we can of the “noise”—all the busy work and stuff that you can get bogged down in. We take that out of the property unit. So that these guys can focus on those two things: Nurturing the school relationship and moving the top line revenue. And so in regards to reporting- on an org. chart, these guys report to Jim, Jim reports to me, and I am kind of the corporate representation for Learfield for this property. But really if these guys take an advertising order. They fill out a contract support form. It goes to Jefferson City and they start entering the order there. And then these guys can pop open their computer and approve it here. So there is a reporting deal there. Sales tracking goes to Dallas. When these orders happen, they all go to Dallas as well. They come back here in the form of a sales progress report that each seller can look at here is what I have sold, here is how much it is, here is what I have pitched, this is still pending. That is the report they get every week. Accounts receivable comes out of Jefferson City…here is who has paid, here is who has been billed, here is what they have been billed. So I know that is not like taking orders from a superior in terms of reporting, but it is sales reporting. It is all sort of tracking and matrix. They are all done other places to support the folks in the field.

**Within CTSM, whose annual review do you conduct? Please describe the process.**
I just conduct Jim’s annual review. There is written feedback and we go over it verbally. Both of us sign it at the time. There is a scoring system as well as a place for me to elaborate on…things you did good, things you should work on, and things to correct. So there is a numerical score and as well as some dialog. We do it once a year normally in December. Jim will do his staff, and I will see them. I may give him some feedback, but I try to avoid influxing my opinion on something unless I think he has just missed something. I let him do his staff. I see them, and we talk about them before he meets with his staff one on one, and then I do Jim’s.

**If there is structural change in the UA/CTSM relationship, who initiates that? Especially during a contractual period.**
Well, increasing inventory is an ongoing discussion. Normally us. No I shouldn’t say that. Over the 9 years that I have been connected in this business, I would say it is probably half and half…maybe 60/40 us. You know UA has been great. When they went to build the new stuff in the basketball arena—the centering score board. They came to us when Foster Auditorium was outfitted. We had the sketches well in advance of that building opening. So we can take them out to advertisers and sponsors. So they came to us there. You know they are really good about letting us know what they are thinking, and let us see how we can package it.

**Is there any formal process in that?**
No, it is. Here is the thing. Our contract talks about some very specific categories of inventory. It does not talk about every single sign. It will say you have the in-venue signage rights. Now it is up to us working with UA to determine what is needed. You know with LED—you are talking about blank boards. So how much is too much. From our stand point (based on giving each sponsor significant time to be exposed), we think 7
of these, 10 of these, 20 of these is the right number. UA might say “guys, we were thinking more than that.” And then we sit down and decide where we all think is a right number. IT is all about keeping the venue not over done. You want to hit a spot. Well as a salesguy, you want to push it as much as you can because there is a revenue component. But yet there is a tipping point…if you are just doing logos. But I think is what we have tried to do with the new technology is combined fan interactive and fan friendly features and incorporated a sponsor with it. Out of town scores presented by… Stats presented by… a replay presented by…it is not just a logo. You are giving the fan something for looking up there and for paying a ticket price. There is a fan amenity to all that. We have been able to blanket it with some corporate representation. That is the back and forth between us and the school. How do we add value to the fan…which if it is good for the fan, then a corporate entity wants to be apart of that. That is where you try to marry to the two together. Not just logo, after logo, after logo. You try to do something interesting that rewards the fans.

**Talk about the process of adding a new inventory category…specifically Alabama being one of the only properties with the concessions rights.**
Well that came when we re-upped our deal. We added the concessions to it. Basically like any other business venture, we had to find out where they were as a baseline financially and then we had to decide if it made sense to us. We had to decide what sort of financial investment we could make to garner those rights. We were able to find a spot that worked. Then we were able to take those rights and run a negotiation/ RFP process of our own, and we selected Centerplate. Who has been here for about 3 or 4 years. They manage the concessions and the gameday merchandise. I will tell you the other thing that people lose sight of. We don’t because it is part of the reason we wanted to do it. When you talk about sponsorship sales, there are a lot of sponsors who have a product that they want to sell in the facility. So now since we have the concessions rights, we kind of control both sides of that. Whereas we can not only sell them the right to negotiate with Centerplate to sell their product in the stadium. We can also have them as a sponsor to expose their brand. You know it is like the official hotdog is Bryan foods, but they are sold at Byrant Denny Stadium. Before we just controlled the sponsorship side, and we didn’t have control over what hotdog is sold. It still has to make sense for both sides. But now when you control both sides, we can figure out where does it make the most sense. Where do we need to push our concessionaire to partner with us over here. This feels right in the hotdog category, etc. Then you have the whole other part of giving the fans a product that they are used to. Not only do they have the usual concession products but they also have the branded products.

**Have there been any changes in the formal reporting channels in the UA/CTSM relationship?**
No. The general manager has always been on-site and everyone here has always reported to that person.
APPENDIX S

Transcript Memo

Re: Tom Brooks, CTSM Account Executive

Interview type: Semi-structured
Interview date and time: 10:30 am, September 29, 2011
Interview location: University of Alabama- Bryant Denny Stadium
Informant description: CTSM Account Executive

INTERVIEW TRANSCRIPT

State your name and working title.
Tom Brooks, Account Executive.

Who do you primarily interact with at UA?
A number of departments. I just go back from the ticket office. Primarily the areas would be the ticket office, athletic marketing (because they do our execution), the athletic administration (being Finus & Jon Gilbert), and compliance. Yeah, we had a meeting with them today. We really interact across the board. One of the benefits is that we are almost considered an in-house entity. Facilities and event management. Day to day, Jim would be communicating directly with Jon Gilbert and Finus about big picture stuff. Now the nuts and bolts which our entire staff gets involved in, would be marketing, facilities, ticketing and a little bit of development.

In that relationship with marketing, do you have regular scheduled meeting?
Situational. The benefit with them being down the hall we can have meetings easily. The meetings are often event driven, but it is easy for us to sit down with them and vice versa. In the big picture of our operations, they are our execution unit. So when it comes to game promotions or anything involved in game scripts, they are a big piece of that. The other piece I was going to add is Crimson Tide Productions. They do all of the scoreboards, print production and such. That is a fairly new group. When Milton Overton got here, he brought that in and staffed that group up. It used to be an outsourced group that would come in and run our video boards through Daktronics. He said “let’s bring it all in house.” Combine it with print media with all the designs for posters, schedule cards, media guides and such. There is a computer piece to it…where they do rolltide.com. And that is kind of the whole branding of our athletic department.

How do you interact with your sponsoring companies? Describe the sponsorship process from the beginning to retaining.
First step in terms of the sales process is identifying who is a good fit for The University of Alabama. We have a sniff test…it can’t be alcohol, tobacco, gambling (all the ones that are prohibited as companies). Assuming it is a good fit and it is a category that we think has potential on both sides. We have a fact-finding meeting. And that is the first
stage where we sit down with the company and listen to their marketing and advertising objectives. And then come back at the second stage if there is interest in a proposal. And then the proposal stage begins the negotiations. They can be short or they can be long. A lot of times with the state of Alabama there are four different territories if you will…Huntsville, Birmingham, Montgomery, and Mobile. And a lot of time with Mobile that includes the panhandle. Sometimes with some companies you have to integrate all the different stores among those four units. Like I work with McDonalds. I am currently in negotiations with them. Tomorrow I am driving through Montgomery and meeting with the Montgomery market manager for McDonalds. And the key is for some deals you have get all the stores in the different areas on the same page. Then when come to a consensus you come back with a contract (which is our legal document) for both sides that has been signed. Then you come to operation mode. The operation mode can be anything from signage, print ad, hospitality, and entertainment in the box. And that is when we work very closely with the companies to make sure that we not only deliver on the contract but over deliver. The last piece is a proof of performance document…which I am a big believer of. It is when you come back after the event. Like we just had Texaco here for Arkansas and I am in the midst of combining all their assets and all their deliverables. And showing them a picture of what the event was. Here is not only what we delivered but over and above. It is a results driven instrument that I deliver. Mostly to give them ammunition in-house to go back and show their decision makers and say “we invested this money and here is our return on investment or here is the impact we had on 101,000 people.”

**Is that standard? Does every account executive do that? Is it part of the Learfield sales process?**

Nah, I think it is individual. I’ve always been a believer wherever I have been that it is an important piece. A lot of folks (not just here at Alabama but in general) they get in such a hurry they forget about that piece. Because they are so anxious to sell, sell, sell. But then just as important you actually spend more time in operations and deliverables then you do in the sales process. And also it helps you with your renewal. If you can deliver a compelling story, the end result I want you as a customer to come back and say “not only did I have a great, I would like to do something else in addition. Or I would like to recommend it to one of my peers at a different company.

**Do you have systematic communication with your sponsors?**

I don’t have a system where I call every client twice a week. I have a top 25 list. You want to keep a full pipeline of new clients, folks you have delivered proposals, but then also you want flush some folks. If it is not a fit. It is still a business to business, person to person relationship. Some folks feel bad and don’t want to tell you no. You almost have to push them to no. Usually, that is a big burden lighter. We call that taking people to no and that is important too. Because you don’t want to waste your time with someone who is not going to come on board.

**How does CTSM report to UA and do you have any role in that?**

Yeah, it all goes through Jim, our General Manager. He reports all…not only our financials but any kind of decision approvals. There is a lot. It is a very good relationship
because I think we are in-house. But also because Jim has great relationships over there and from his time here but also in Tuscaloosa. Some properties that I have heard of don’t have that luxury. They might located off campus or they might be adversary type relationships. But everything flows through Jim as far as decisions and reporting. Jim pulls all of our sales totals together. I manage a couple different projects outside of tradition sales…like our live sports radio sales is one example. I will pull together our revenue on that. Here is the good story because with our contract with UA Athletics. It is not only a guarantee but it is also a revenue share. After a certain threshold, it is a 50/50 split. So it is in athletic’s interest for us to make more money. It shows too that we have been doing our job.

Describe the CTSM hierarchical breakdown?
I report to Jim. We kept a pretty horizontal reporting structure. Where Jim is open enough where he has everyone report to him. We have students that report to Tyler, the intern coordinator. But that is the good news, we all have the opportunity to talk to our boss. In the past, they had number 2 guy per say. But since Jim has been here, it is all him. Jim’s door is always open.

Why was the change made to eliminate the associate GM position?
Michael Alford was the previous GM, and he was in more of an administrative role. He was not in an active sales role. Where Jim is much more active in the sales process. He has a sales number. He is responsible for sales. He is more hands on in the sales process. So since Michael’s strength was more administrative, the associate GM was more sales driven. I think it the current set-up has made us a stronger organization. Because it is more hands on. Jim can be a resource for the new account executives. The training is better. We have a really strong staff here now.

Who reviews your job performance? And how often does that happen?
Jim. It is an annual. There are kind of two triggers. There are the sales numbers and then there is annual review as an employee…like a tradition review. That is signed off by Jim. Then we have a senior VP, Steve Gowan. He is the Learfield sign off on any kind payouts. If there is discipline, someone doesn’t make their goal, or if someone screws up or does something stupid. That becomes the decision tree. The feedback is written and verbal and we have feedback within that. We also have an annual goal. Everyone is given a goal at the beginning of the year. You have your renewal number (of all the people you brought in before) and then they tack on a new business number, and that becomes your goal. So you spend your entire trying to hit that number. We are on an academic year as far as our sales cycle. So you have a full academic year to hit that number. Now, you are going to get some attrition along the way. Most people will lose a couple of accounts. So you have to attribute that. You have to spend your resources trying to hit that goal. That is everyone’s main mission. That is the nice thing about our business it is black and white. Our weekly sales meetings are designed to report and everyone chimes in. That is our staff weekly call. I also have a one on one meeting with Jim on a weekly basis. Every account executive has a one on one with Jim. It is designed to kind of keep him updated on what’s there because we have to make decisions sometimes. It might be company x
versus company y. I might have an Alfa Insurance trying to play in the same ballpark as Alfac for example.

**Do you give exclusivity?**

We do. We try not to. We just went through our telecommunications where we are bidding AT&T, Verizon, and Sprint against each other. So Jim was having to juggle all three. He helps keep kind of a referee. We will play two different companies against each other. People think of athletics as being the ultimate rivalries, but Coke and Pepsi. Those companies wake up everyday saying “I am going to take them down financially.” One of the benefits I enjoy is that you really get insight to the company’s strategy. You kind become one of their marketing consultants. Example- I work with Compass Bank. We had this whole plan on how they wanted to make a big impact against Regions. It was interesting to serve in that capacity. They want to use our resources to attack their big competitor.

**If there is a structural change to the UA/ CTSM relationship, who initiates that?**

Both ways. You know our structure is 80 percent owned by Learfield and 20 percent IMG College now. Point person being Jim on those kind of negotiations. But then he also gets support from Learfield. Example- if we were supposed to receive something in the contract to sell and it was taken away, then they would go back and negotiate. Jim would with Finus and get support from Steve Gowan. He would say “Our rights fee is x this year because we didn’t get this particular item. Can we negotiate down or substitute something else.” And then proactively if we have an idea of something we want to put together. Like concessions is a good example. We went out and bid and took over concessions, and it was added to the contract. We are a very unique situation. We are the only one with concessions. We have so much inventory. It is good because it gives us a chance to sell into those areas. If we do an official deal with Dreamland Barbeque for example. Not only do we advertise their product but now we can actually serve the product in the stadium to our fans. It is the ultimate execution. So people are consuming, using, seeing and then when they go home it is still on their mind.

**Have their been any formal reporting changes?**

Other than eliminating the assistant gm position, we have been steady. I don’t know if you have gotten into this detail, but usually the properties have a lot more turnover. We have been really fortunate where we have actually been able to maintain staff and add a position. We haven’t had too much transition.

**What do you attribute that to?**

I think it’s a strong property. But I think it is also because it is a destination property where people are here because they are happy to be here and want to be here. They are not looking for a job step up. We have some talented young guys…like Jay for example. Where Jay could leave tomorrow and take a great job somewhere. And when he wants to do that, he will be ready because he has gotten great training here. And basketball is improving now so that will even help. Anthony Grant is smart enough to let the team speak for his style. He says “I would rather have the team get everyone fired up.” He is more the guy in the shadows.
APPENDIX T

Transcript Memo

Re: Senior Associate Athletic Director & Chief Financial Officer Athletics

Interview type: Semi-structured
Interview date and time: 2:00 pm, Thursday, October 6, 2011
Interview location: University of Alabama
Informant description: Senior Associate Athletic Director & Chief Financial Officer Athletics

INTERVIEW TRANSCRIPT

State your name and working title.
Dr. Finus Gaston, senior associate athletic director & chief financial officer athletics

Who do you primarily interact with at CTSM?
Jim Carabin, the general manager.

Do you mind describing that relationship? Do you meet with him once a week or just if something comes up? Is the communication primarily over the phone, in person or email?
My involvement is more situational. I really manage the contract. As CFO for the athletic department, I am in involved in negotiations with the contracts and administration of the contract. Day to day operations is probably communicated with John Gilbert, associate athletic director for external relations. He has the licensing and marketing responsibilities under his umbrella in our department.

Just to confirm. You do not have a regular meeting with Jim Carabin, CTSM general manager.
No, Jim and I do not have a regularly scheduled meeting.

Is there anyone at Learfield that you interact with regularly?
Usually Steven Gowan will meet with me and Jim Carabin regarding contractual matters or unusual situations that we determine whether it fits into the contract or not.

Is there anyone else you interact with at CTSM?
No. Primarily just Jim Carabin.

Do you have any interaction with the sponsoring companies?
My interaction with them is primarily supporting CTSM. Jim will ask me to be involved in some discussions whether it is Golden Flake, Coke or whoever it might be.

Discuss how you receive reports from CTSM.
We receive a report. During the course of the year, the way the contract works is that we have a guarantee amount of income that CTSM pays us from their gross revenue. They pay us on a scheduled basis certain amounts of that guarantee each year. And then at the end of the year, there is a revenue sharing formula we participate with them in revenues over a benchmark that is set for gross revenue. So I will meet with them from a contractual standpoint at the end of the year to reconcile their records with ours to make certain that our revenue share is coming to us.

**If there is a question on sponsorship implementation, does that come to you?**
Many times that will come to me because it is contractually related through the rights that contained within the contract.

**If there is new inventory added within the contractual period, who usually initiates?**
We are both constantly looking for new inventory. For example when we open a new facility and start designing scoreboards, we try to be creative from the University standpoint and CTSM will also explore new advertising ventures they can within the facility. So both parties, can initiate new inventory. The contract is written in a way that you don’t have to amend the contract. The contract is exclusive in nature any advertising…any advertising we have in our facilities for example. As we open new facilities or have additional events, those rights will automatically will shift to be a part of CTSM’s contract. We will work together to maximize the value.

**Discuss the decision to add concessions to CTSM’s rights in the contract. Is it true that Alabama is the only property that has?**
Yes, that is correct. For years, we (Alabama) had a contract on our concessions, and we were getting a share of the revenue and a guarantee each year. It goes back to philosophy—is the whole greater than the sum of the parts? When we first started multiple media rights contract back in the late 80s, we were one of the first ones to do that and adding different rights to this. The element that we didn’t have in the contract was the concession rights, but they are tied in to the sponsorships because the food and drinks they serve. It is tied into our soft drink pouring rights, and our endorsement rights with our isotonic beverage rights, etc. So we made the decision to negotiate with CTSM, Learfield and ISP (at the time). Sharing those rights with them, what will they guarantee us for that? Because we felt like leveraging all those properties together that the end result will be greater revenue for us. Also, they will be managing they would be managing the rights themselves. As it turns out, we feel like we made the right decision.

**Have other schools approached Alabama about how to add concession and pouring rights to its multimedia contract?**
We have had several. That model has been taken by Learfield to several other schools, and I think 3 or 4 are exploring the opportunity right now. Our perspective is the things we can do ourselves very well—we do our selves. The things that we are better off outsourcing to professionals—we outsource. That has been our philosophy. Schools have different philosophies. Some schools feel like they want to run concessions. But we feel like that this was the route to go to maximizing the revenue for the University.
Please describe the UA hierarchical structure in regards to CTSM?
Jim primary contacts me on contractual matters or interpretations, and on day-to-day matters, he contacts Jon Gilbert. Mal [Moore] is involved at the yearend reviews, or if there is something that is a gray area, we will ask Mal’s advice on that.

Have there been any changes in the reporting channels that you are aware of on the UA side or the CTSM side?
Not really. The structure has pretty much been the same. We have added some personnel and extended some responsibilities to people have to get involved in some of this. Jon [Gilbert] has been involved for about 3 years with the marketing end, Tide Pride, the ticketing office, etc. So he has branched out in those areas which allowed to me to concentrate the primary things that I do here. That has worked out well. There are some many day-to-day decisions and communication that it can’t be centralized on one person.

Do you have any additional comments?
When we first started this arrangement, Learfield had about 60 percent of the property, and ISP (now IMG) had about 40 percent. Now, they have swapped properties around. IMG probably doesn’t have more that 10 percent of the UA property. IMG has not management responsibilities—it is just purely ownership. They originally split the property to share the risk. We were one of the first ones to try and put all our rights together. We first gathered all the coaches’ rights along with the radio contracts. We incorporated that into one bundle. As time went on, we added more rights. The first contract we had was with Host Communications back in 1990 (now does not exist—bought by IMG). Jim Host was one of the visionary of this. University of Kentucky was his primary account. Kirk Wood started Collegiate Sports Properties. He worked with Jim Host and went out on his own. We contracted with him for about 6 years. In 1998, we bid out the rights and that is when Learfield and ISP won the contract. We have been with them ever since. We are probably one of the more profitable accounts.