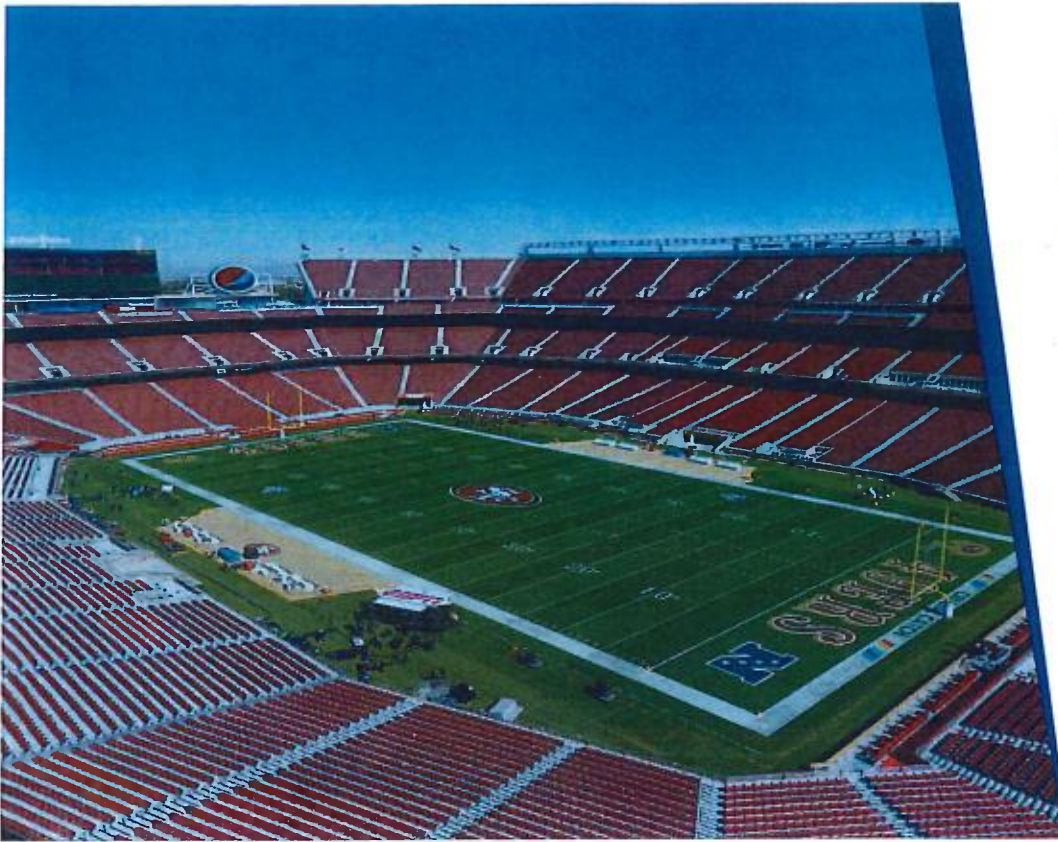


2/22/2022

item 7.



LEVI'S STADIUM MARKETING PLAN ASSESSMENTS

Santa Clara Stadium Authority

February 22, 2022



AGENDA

- o Team introduction
- o Scope and methodology
- o Summary of findings

TEAM INTRODUCTION

Stone Planning LLC

- Planning and research services for sports and entertainment facilities and events
- Past clients include the Oakland-Alameda County Coliseum Authority, the City of Inglewood, the City of Carson, the San Diego Regional Economic Development Corporation, CSU branches, the Green Bay/Brown County Professional Football Stadium District, the Louisville Arena Authority, the Louisiana Stadium and Exposition District, and others

The Rooney Sports & Entertainment Group

- Work with NFL and MLB stadium clients has included:
 - Programed, brokered, and produced 34 stadium concerts (Kenny Chesney, Taylor Swift, Brad Paisley, and Jimmy Buffett) grossing \$102M
 - Established 16 new Halls of Fame
- Operational experience at stadiums, arenas, and amphitheatres
 - Los Angeles Memorial Coliseum – post-modernization venue branding, returned major concerts to the stadium, and developed a boutique concert venue

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SCOPE & METHODOLOGY

- **Scope of Work – “review, assess, and evaluate the Draft Marketing Plans in the following key areas”:**
 - Venue Positioning
 - Goals and Objectives
 - Marketing Strategy
 - Research and Data
 - General Information
- **Methodology – analysis of the contents of the Plans based on our professional experience**

4



SUMMARY OF FINDINGS

Venue Positioning

- o The Plans reference ways in which the manager has assessed its client base and various stadium strengths, weaknesses, opportunities, and threats
- o For these items, little to no detail is provided
- o Information cited also appears incomplete:
 - o How is the stadium's market defined?
 - o What is the character of the market's resident and business base?
 - o What trends are impacting the industry, and how?
 - o What is the competitive environment, and how does the stadium fit in?
- o 2021: additional narrative that provides relevant information regarding the manager's response to COVID
- o A full understanding of these issues is necessary in order to initiate appropriate strategies, and maximize stadium usage and revenues

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SUMMARY OF FINDINGS

Goals and Objectives

- o The Plans list many goals, objectives, and activities (including in response to COVID)
- o Goals and objectives are generally vague
- o Little to no information on timelines, resource requirements, or implementation plans
- o Without detail/context or measures of accountability, it is difficult to gauge the success of any initiative
- o In a partnership, the public (Authority) and private (Stadium Manager) entities may have different goals, but goals must be measurable in order to guide future actions, use of resources, and accountability

6



SUMMARY OF FINDINGS

Marketing Strategy

- o The Plans mention various types of research and data used to increase revenue, as well as resulting strategies
- o No information on media strategies or associated budgets (although the Stadium Manager separately submitted a marketing budget in 2021 per the Authority's request)
- o There is no information that allows for accountability or measurement of results, or connection of strategies to a stadium need:
 - o Did the additional bookings meet a goal or budget?
 - o Did dynamic pricing increase revenues?
 - o Did the addition of new event space increase stadium usage or have an ROI?
 - o How much was spent on marketing initiatives, and what was the ROI?
- o Without the ability to identify budgets, actual amounts spent, ROI, and any other items, it is not possible to ensure the appropriate allocation of resources or broader strategies

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SUMMARY OF FINDINGS

Research and Data

- o The Plans provide no detail regarding market research (such as local demographics or the size/geography of the market)
- o There are references to various results (such as number of events and repeat business)
- o There is little to no information that provides quantitative or qualitative accountability measures:
 - o What are considered key performance indicators?
 - o How do results compare to budgets, goals, prior years, or industry expectations?
 - o What revenues were generated by trade show participation?
- o Similar to other key areas, this information is necessary in order to guide strategies and resource allocation, as well as accountability

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SUMMARY OF FINDINGS

General Information – Areas to Potentially Explore

- o Specific deal terms and relationships with stadium users, accounting for event revenues
- o Industry feedback and input
- o Local/regional dynamics, including the competitive environment, location, parking, cost structure, policies, and others
- o The stadium's physical condition and offerings; benchmarking to competitive and similar facilities
- o Adoption of Key Performance Indicators
- o Agreement on the content of future Plans (and information that can be shared separately)
- o Potential partnerships

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SUMMARY OF FINDINGS

Summary

- o Overall, the Plans appear to be incomplete in terms of subjects addressed and level of detail
- o The Plans reference many goals, initiatives, and actions of the manager, particularly in response to COVID
- o These items are generally high level and do not provide the context or accountability that would allow for a better and objective understanding of performance
- o In the public-private partnership, the Authority can justifiably expect additional, and more detailed, information regarding its asset, the expenditure of its resources, and its potential revenues

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THANK YOU / Q & A



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2/22/2022

Item 7

Melissa Lee

From: Emily Matthews <Emily.Matthews@49ers.com>
Sent: Tuesday, February 22, 2022 2:31 PM
To: Mayor and Council
Subject: EM letter regarding marketing plan
Attachments: EM to SCSA Board - Marketing Plan_2022_2_22 A.pdf

Dear Stadium Authority Board Members,

Please find the attached letter regarding the marketing plan.

Thank you,
Emily

EMILY MATTHEWS
Manager, Communications & Public Affairs
San Francisco 49ers
M 415.238.6939
SAP Performance Facility
4949 Marie P. DeBartolo Way
Santa Clara, CA 95054

POST MEETING MATERIAL



FORTY NINERS STADIUM MANAGEMENT COMPANY

February 22, 2022

VIA EMAIL - MayorAndCouncil@santaclaraca.gov

Santa Clara Stadium Authority
1500 Warburton Avenue
Santa Clara, CA 95050

Re: 2/22/2022 SCSA Board Agenda Item 7: Presentation and Potential Action on Levi's Stadium Marketing Plan Assessments

Dear Members of the SCSA Board:

This letter is intended to assist the Board in evaluating this evening's presentation by Santa Clara Stadium Authority Executive Director Santana regarding the annual Non-NFL Event (NNE) Marketing Plan submitted by the Stadium Manager.

We are unable to respond in detail to SCSA Executive Director Santana's presentation since she has not seen fit to share it with Stadium Manager. However, we recognize a familiar trope: SCSA Executive Director Santana hires a consultant to disparage the 49ers, then trots out a Power Point to bolster Mayor Gillmor's quest to "fire the 49ers". We expect the same this evening.

We have reviewed the "report" prepared by Tom Rooney. Mr. Rooney's firm consists of himself, his wife, and his son. If the Board is interested in a more thorough evaluation of Mr. Rooney's credentials (or lack thereof) we can provide a separate response when time permits. A review of a few sections of Mr. Rooney's report will illustrate why the Board should simply ignore it.

1. The Rooney report acknowledges that it was not based on any understanding of the Bay Area market, or informed by any discussion with the 49ers, or anyone who understands Levi's Stadium. In fact, the first page of the Rooney report prominently features a disclaimer to that effect:

"... we have not spoken with local or industry stakeholders in order to supplement our understanding of the Marketing Plans, local and stadium dynamics, or any other variables that may impact the stadium and its operations. Neither Stone Planning LLC, its managers, members, officers, employees, agents nor representatives makes any representation or warranty, expressed or implied, as to the accuracy or completeness of this report or any of its contents, and no legal liability is assumed or is to be implied against any of the aforementioned with respect thereto. This report does not purport to contain all of the information that may be required to evaluate all of the factors which would be relevant."

2. Mr. Rooney's main complaint is that the Marketing Plan doesn't provide him with enough information, but he neglected to request any additional information from the 49ers. This appears to have been the plan all along by SCSA Executive Director Santana since the Rooney report states: "Per the defined scope of work, we have only reviewed the Plan and we have not obtained feedback from external sources or reviewed additional documents in order to supplement the information contained within the Plan."
3. The dysfunction at Santa Clara City Hall, along with the endless litigation spearheaded by Mayor Gillmor and SCSA Executive Director Santana has seriously impacted the Stadium's NNE marketing. The fact that this was not even mentioned in the Rooney report is telling.

While the Rooney report cites the importance of relationships with concert promoters, it neglected to mention that the last major concert at Levi's Stadium was the Rolling Stones, and the promoter had this to say about the dysfunction at Santa Clara City Hall: "... do you not want touring shows anymore? The impression I and many others in the industry have, is your facility is getting so restrictive and dysfunctional, it's no longer worth the effort to play there due to the myriad and random rule changes or sudden restrictions placed on a tour."

4. A cursory review of Mr. Rooney's recent history revealed this quote from November 2020 regarding his involvement in the "concert business":

How did you help the Steelers get into the concert business?

Art II called me after they opened up Heinz Field. He asked me why they weren't getting concerts there. I told him he needed a voice. He needed to write a check. Not to me – but promoters have nests to feather. That's how I helped the Steelers get into the business. They needed a third-party to secure the acts and set the rent deals. We actually became the buyers of the shows for them. When you write seven-figure checks, that brings artists in. That gives you a voice!

SCSA Executive Director Santana's presentation is designed to distract from the fact that she has intentionally interfered with hosting events at Levi's Stadium as part of her litigation strategy. This is exactly what she told us she would do in January 2019 when she declared she was deploying the "nuclear option."

Respectfully,
Emily Matthews