

Attachment 3

March 5, 2020
Agenda Report 20-272
Draft 2020 Non-NFL Events
Marketing Plan
for Levi's Stadium
and
Staff Presentation



2020 Non-NFL Events Marketing Plan

January 30, 2020

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Executive Summary

Levi's Stadium's non-NFL events business continues to bring new shows and events to Santa Clara, delivering significant economic impacts and exposure for our region. Additionally, the local hotels and businesses benefit from the large number of people who travel to Santa Clara from all over the state and country to attend these events. Levi's Stadium has grown a distinct reputation as a premier entertainment venue, resulting from the combination of consistently high client satisfaction ratings, a steady pipeline of high-impact events, and incorporating data-driven decision-making into contracting, planning, and executing events.

As Stadium Manager, the Forty Niners Stadium Management Company continues to adapt its business strategy to the changing sports and entertainment landscape, and will focus our efforts in 2020 on business development, continued guest satisfaction, and building the Levi's Stadium brand as a global entertainment venue. To achieve these objectives, our strategy and approach to guest communication and engagement requires us to adapt our traditional communication vehicles and content strategies, tailored to different demographics. Specifically, the Stadium Manager plans to engage new and returning clients and guests by:

- Sourcing new events and relationships through active involvement in local and national organizations
- Leveraging historical event data to market Levi's Stadium's comparative advantages to the most relevant industries and organizations
- Creating engaging and informational sales collateral to educate new clients and spark interest in the marketplace
- Utilizing a CRM platform to update the way we manage sales leads and measure ROI on sales initiatives and marketing campaigns

Through this deeper connection between Levi's Stadium events and its guests, the Stadium Manager will achieve the optimal outcome for the business, Stadium Authority revenue and community engagement.

Levi's Stadium Event Definitions and Profiles:

The venue's non-NFL business is comprised of two over-arching event categories, Major Events and Special Events.

Major Events are stadium-wide, ticketed events open to the public. The Stadium has successfully executed a variety of different events that have brought greater fandom and economic impact to the local market. Spanning numerous leagues, sports, and attractions, Major Events have helped establish Levi's Stadium as an iconic venue. These high-profile events keep Levi's Stadium in the limelight, which is a significant factor in driving the Special Events category of the non-NFL event business.

Special Events are private, contracted, and usually non-ticketed and exclusive events, subject to the event's nature and the client's objectives. These events span a wide range, from weddings to corporate anniversaries, charitable fundraisers, and conferences, and make up the vast majority of the venue's event calendar (over 80% of all Stadium events). The Special Events sales pipeline is driven primarily by relationships formed with local companies as well as our reputation and established experience in hosting a variety of events. Therefore, we are not only focused on the immediate health and profitability of our business, but also the connections we create with clients and opportunities to innovate the venue's guest experience.

Levi's Stadium Special Events

Looking back:

In the 2019 calendar year, Levi's Stadium hosted a total of 35,000 corporate and social event guests. From 30 guests to 3,000 guests and from corporate meetings, tradeshow and conferences to proms, wedding receptions and even an engagement with party to follow. It was a busy year for Special Events at Levi's Stadium including the busiest December since 2015. In addition to hosting the Pac-12 Championship game, the Redbox Bowl and two NFL games, Levi's Stadium hosted 26 holiday parties. December is undoubtedly the busiest time of the year for special events at the stadium and the 49ers winning season added an extra layer of excitement for clients and guests as they enjoyed the sights and sounds of the stadium. Outside of event bookings, the Levi's Stadium Special Events Sales team was busy taking part in national conferences, attending local networking events, partnering with industry organizations to amplify the brand, hosting prospecting events at the stadium, and reaching out to prospects with updated sales collateral. In addition to sales efforts, the stadium experienced continued success with consistently high client survey scores in event booking, event planning and event execution categories.



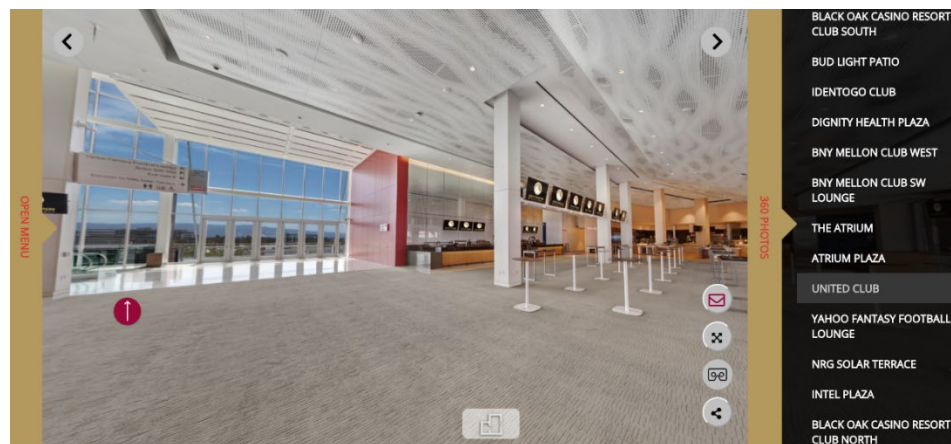
2019 Key Wins/Strengths

1. Sales Collateral

A major component in selling the stadium to special event clients is being able to tell the story. When a person first thinks of an NFL stadium they think of the field, the bowl seats, and the concession stands. They don't typically see how a meeting or reception fits into those spaces and assume the stadium cannot fit their needs. What many people do not think about are the various premium club spaces and other rooms around the stadium that can transform into private event spaces. Levi's Stadium found this challenge to be an opportunity and created a sales kit that guides clients through each event space and provides photos and specifications to help clients understand what each space can offer. The sales kit is a valuable resource during the preliminary sales process, when clients are comparing venues and need a full concept of what an event at Levi's Stadium could look like. The sales kit is posted on the website for visitors who are just browsing for venues and it is also a useful tool to send as a digital link directly to clients we are prospecting with or who have inquired about event opportunities.

The sales kit is only the first step towards telling the story. In addition to the digital sales kit, Levi's Stadium also added high definition 360 degree photos of each event space along with adjacent spaces to provide an immersive tour experience for clients and prospects. Photos are helpful during preliminary conversations, but the 360 degree photos provide an opportunity for clients to step into the event spaces and "take a look around." These are especially valuable when clients are in another city, state or country. In-person site visits and walkthrough meetings are always preferred to work with clients in booking and planning their events, but it is not always possible given the number of national and international clients

we work with at Levi's Stadium.



2. Participation in local and national sales events to promote Levi's Stadium and continue to build a database of qualified prospects

In 2019, the Special Events Sales team was actively engaging with both local and national industry groups and events to continue to promote Levi's Stadium as a world class event venue. Although the stadium is a landmark in the Bay Area, the work is never done when it comes to educating corporate clients and event professionals about special event opportunities at Levi's Stadium. Tradeshows and networking events are extremely valuable in the sales process as most attendees are attending with a desire to book an event or obtain information for future event needs. This year, the Special Events Sales team engaged with 14 local events including San Francisco Business Journal (SFBJ) and Silicon Valley Business Journal (SVBJ) 40 Under 40 Awards, Admin Awards of San Francisco and Silicon Valley, Smart Meeting (San Francisco), All Things Meetings (Santa Clara), and the Meeting Planners International Northern California Chapter (MPINCC) Gala in San Francisco. By attending each of these events and participating as a sponsor or exhibitor, the sales team is able to connect directly with event professionals and also receive a list of attendees which becomes valuable for future outreach.





In addition to the local and regional industry events, the team attended three tradeshows which provided Levi's Stadium with a national platform to sell and promote special events. The team participated in Connect California, which is specifically geared towards qualified statewide buyers, connecting them with California suppliers like Levi's Stadium. Next the team traveled to Louisville, Kentucky for Connect Marketplace which is a national conference and tradeshow that provides one-on-one opportunities to meet directly with interested buyers. The team conducted 80 one-on-one meetings, engaged with hundreds of attendees as they visited the Levi's Stadium booth with four site visits booking directly out of the conference. Finally, the sales team participated in the annual International Meeting Executives (IMEX) Tradeshow where they joined together with Travel SF as a partner in their booth. The team booked 30 one-on-one meetings and co-hosted a networking happy hour event which brought in contacts from Destination Marketing Companies (DMCs) and major event production companies. IMEX is a highlight each year as it's one of the most well attended event tradeshows in the U.S. Many sports and entertainment venues participate with a goal to connect with national and international buyers and create lasting relationships that result in future bookings.



3. Developed creative sales campaigns & events to engage prospects

Campaigns:

In 2019 the Levis Stadium Special Events team focused on strategic marketing campaigns to expand visibility and create more opportunities to connect with qualified prospects. With the new sales collateral available, the team utilized the database of past clients and prospects to deliver the creative campaigns. The strategy behind the campaigns came from special event data collected over the past five years. The data collected includes categories such as, most common types of events booked at the stadium, the most common season for booking certain events, type of companies that typically book events at the stadium and the person most likely to book an event within the company.



The first campaign was geared towards proms & socials and went out in May, during prom season, on social media and via direct e-mail. Several proms were booked because of this campaign and it increased awareness among the high schools in the South Bay for future events. In June and October, the sales team delivered themed baskets to companies located within 5-10 miles of the stadium. The baskets were themed for a summer picnic in June and Oktoberfest in October. The goal of this campaign was to create an opportunity to meet with prospects in person and spark interest around hosting an event at the stadium. In August the team ran an e-mail campaign for last minute holiday party bookings. Although the December calendar typically books up in the first half of the year, there are usually dates and spaces available going into August, so it is a great time to reach out to companies to target short turnaround bookings. The final campaign of the year was direct marketing campaign via LinkedIn which targeted individuals who typically book events or are may be likely to book an event in the Bay Area. This campaign ran through the start of January 2020.

Events:

Levi's Stadium Special Events hosted two prospecting events in 2019. The first event was the "Admin Wellness & Health Break", an event targeted to administrative professionals who are tasked with booking events for their companies. The event started with a detailed tour of the stadium event spaces and ended on the NRG Solar Terrace for a healthy snack and "office yoga," hosted by a yoga professional. The goal of this event was to bring Administrative Professionals to the stadium and educate them about the event spaces while also providing a moment to relax and recharge. Site visits and stadium tours are extremely valuable when selling a unique space. Often times it can be difficult to get a group of Administrative Professionals from various companies to the stadium at the same time, so adding elements like yoga, wellbeing etc. helps with attendance and provides a lasting impression.

In August the team hosted the second annual Levi's Stadium Special Events Summer Showcase. Similar to last year's event, it featured food and beverage prepared by Levy and event décor, entertainment and activities provided by Bay Area vendors. The goal of this event is to showcase the stadium in a new way each year, coming up with themes that are on-trend, creative food and beverage items and unique activations that will spark curiosity and excitement around the stadium. The Special Events team was able to double attendance from 2018 and capture many qualified leads and contacts from this year's event. The stadium has found that getting people in the door is the first step to selling events, but leaving

them with a lasting memory and a personal takeaway, will create an experience they will never forget. In an industry full of networking events and e-mail advertisements, going the extra mile to create one-of-a-kind sales opportunities and moments is key.

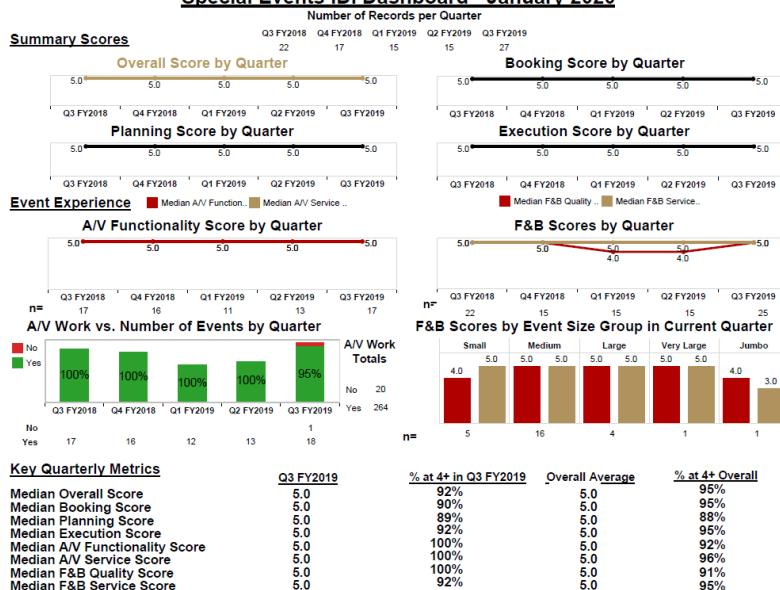


4. Continued success with high client satisfaction ratings

Consistent with 2018, 2019 was another successful year for In-Depth-Interview (IDI) survey results. As much as the sale is important to book first time business, it's the customer service throughout the sales, service and successful execution of the event that is essential to repeat business and client loyalty. Levi's Stadium understands the importance of client retention and therefore puts an emphasis on providing clients with a "one stop shop" level of service. The special events planning team becomes the main point of contact for clients, providing an easy roadmap when navigating the stadium environment and all the elements and teams that go into supporting successful event execution.

This system reduces stress for clients which is clear through the IDI scores and client feedback received throughout the year. From booking, to planning to event execution and catering, all categories received an average of 4.6 or above. When asked if the clients would rebook an event at Levi's Stadium, 98% said they would re-book or were likely to re-book depending on budget, need for event spaces and geographic distribution of future events.

Special Events IDI Dashboard - January 2020



"I actually was able to enjoy the event knowing that everything was taken care of by Levi's staff." Corporate Client

"We have had this event every year for over 40 years. The entire Board commented that this year's event was the best so far. They are very happy with the venue, the event staff and the catering." Association Event

"Everyone I came across was friendly and extremely helpful I could not have imagined the planning of this event without the staff members." High School Social

"Levi's is my top choice for any event. They take care of everything while keeping in mind the budget. Superb service!" Corporate Client

"We were very impressed by the attentiveness and helpfulness of the Levi's staff. Every detail was covered and discussed. If any questions/issues came up, they were quick to resolve it. It really made event day stress free." Corporate Client

Learnings:

As covered in 2018's Marketing Plan, a major component to remaining relevant and exciting for buyers is the opportunity for new offerings. As the stadium continues to age, it becomes more and more important to look at it through a new lens each year. Whether it be updates to an existing space or creating completely new spaces and activations, repeat clients are always looking for something new to offer their attendees and drive excitement and attendance.

Adding to Inventory:

In 2019, the green room off the south tunnel was upgraded to the South Club a beautiful premium space, adding new events space inventory for clients hosting events at Levi's Stadium. The unique location of the club, positioned behind the south end zone, provides a one-of-kind opportunity for clients to get a "behind the scenes" feel when visiting the stadium. Not to mention the modern design inside the club which adds to the "exclusive" vibe when hosting an event in that space. The sales team sold the first South Club event in the fall of 2019 and it was a huge success, providing the client with a perfect location for a VIP reception connected to a larger event in another space. The sales team looks forward to continuing to promote this new beautiful space and creating unforgettable experiences for clients and guests. Given the success of the South Club, the plan for 2020 is to create an additional premium club space in the northwest quadrant.

Turnkey Packages:

Since opening in 2014, Levi's Stadium has hosted 33 proms and/or formals for Bay Area high schools. To further the engagement for these types of successful events, Levi's Stadium created turn-key prom packages that make the booking and planning process easier for high school students and their advisors. As staff has learned through years of experience, proms generally have fairly standard requirements and budgets are often limited. With the partnership of Levy, the team was able to create prom package levels to fit various budgets and needs. After creating the packages, the information was sent out via social media and direct e-mail communication, resulting in the booking of multiple proms.

Dynamic Pricing for Underutilized Spaces:

Along with the data analyzed for proms/formals, the Special Events team was also able to look at underutilized spaces over the past year. Whether it is due to location, features of the space or price point, there are certain club spaces that book more often than others. When taking a look at the underutilized spaces it was discovered that both the price point and the location were two major factors that impacted the amount of bookings in those spaces. Since it was not possible to change the location of these spaces, the team decided to implement "dynamic pricing" to flex the rental rate and minimum spend with a goal to encourage more bookings. This adjustment created opportunities in spaces for smaller meetings and receptions to book as well as clients who put less of an emphasis on location within the stadium. Dynamic pricing has become a valuable resource when used with data from past events and understanding clients' priorities.

Business Updates:

1. LinkedIn Page

One of the ongoing initiatives of the Special Events department is brand awareness and exposure. LinkedIn has been a great platform for connecting with business professionals and sharing content in a forum where participants are looking for information. In 2019 the Special Events department started a business page on LinkedIn to help promote the brand, communicate business updates, sharing posts and connect with event professionals. The sales team manages the page weekly with a goal of gaining more followers through relevant and engaging posts as well as Levi's Stadium and 49ers updates. This is just one more platform to help boost the brand and keep Levi's Stadium top of mind for anyone searching for an event venue in the Bay Area.

2. Tracking in CRM

Over the past year, the Special Events sales team has been successfully utilizing the CRM software by inputting and tracking leads and scheduling follow up communication. This software captures both inbound and outbound leads as well as any leads gained from corporate partnerships. Having all client data in a centralized CRM system helps with consistent client follow up and communication, tracking client history and

collecting data for sales campaigns.

CRM also acts as a resource for setting goals, allowing the sales team to measure output and results month over month. For example, there might be a goal to input a certain number of contacts in the system each month, or a goal of “X” amount of leads generated from outbound efforts.

This system is also a resource for the other departments involved in servicing the events. This process helps the larger stadium events team to understand where clients are in the process of booking and prepare for events months in advance.

3. Local Collaborations

As the Special Events team continues to grow the business inside the stadium, it is also a priority to collaborate with local hospitality businesses outside the stadium to help draw more event business to Santa Clara. Throughout 2019, the sales team continued to work with the Santa Clara Convention Center, Great America and the local hotels to build a network of resources for clients looking to book events in Santa Clara. The goal of the Special Events team is to grow revenue through booked events inside the stadium, however, if the stadium is not able to accommodate an event, the next goal is to keep the business in Santa Clara. This would typically be the role of the Santa Clara CVB so until that role is filled, Levi’s Stadium continues to work closely with its neighbors to sell Santa Clara as an event destination.

In January of 2020, Levi’s Stadium partnered with the Santa Clara Convention Center, Great America and Santa Clara hotels to host a tradeshow booth at the California Society of Association Executives (CALSAE) in Sacramento. The goal of this partnership was to drive traffic to the booth to then create opportunities to educate attendees about what Santa Clara has to offer. Associations, corporate clients and Destination Management Companies are not only looking for a unique venue, they are looking for a complete city experience, from restaurants, to entertainment to hotels and more. As Santa Clara continues to grow, it will become more and more important to have strong relationships and partnerships between the local venues to provide the best value for clients and guests visiting the city.

Looking Forward:

In 2020, the Levi’s Stadium Special Events team will focus on three key initiatives to help grow the business and drive revenue.

1. Increase New Business Leads & Bookings

Levi’s Stadium is proud of the high percentage (52% in 2019) repeat business year over year as well as the diverse list of companies and organizations who have held events at the stadium. Repeat business is an important component to sustaining the special events business. It not only demonstrates the outstanding customer service and hospitality provided, but it also creates a foundation for future booking opportunities. As the stadium moves into its sixth year of operation, the sales team will not only focus on bringing back past clients, but also continuing to cultivate and capture new business. This goal will become a part of the sales team’s monthly tracking process, identifying which companies are “new business” versus “repeat business” as leads are generated and added to the system. The team will not only be measured on how many new clients are added to the system but also how many events are booked with those new clients. The special events sales process can be a lengthy one, sometimes lasting 9-12 months, so this will be a long-term tracking model.

In an effort to increase communication and touch points with new companies in the Bay Area and beyond, the Special Events team will be launching a quarterly newsletter. The newsletter will include updates about the stadium, new offerings and experiences, staff spotlights, event sales and planning tips, photos of featured events, and much more. The goal of this newsletter is to create engaging content that not only educates the reader but also inspires them to pick up the phone and call us or e-mail us.

In addition to the newsletter, the Special Events team will continue to provide content through social media, LinkedIn and run strategic e-mail campaigns.

2. Generate more opportunities to book large events

Levi's Stadium has hosted private events of all sizes, from 20 guests to 20,000 guests. Although identifying events and inquiries for large events (over 5,000 guests) is less common, we continue to mine the opportunities in the Bay Area given the unique corporate landscape. Levi's Stadium is not only a unique venue perfect for small to medium groups but it also provides a valuable feature for large groups... square footage!

In 2020 the Special Events team plans to host focus groups that will be centered around third-party Event Planners/DMCs and Administrative Assistants, the two primary groups who book corporate events. The goal of these focus groups will be to understand the priorities of the companies and planners, as well as their decision making process while selecting an event venue. Although Levi's Stadium is now the only NFL stadium in the Bay Area, clients have many venue choices and there are many factors that impact the venue booking process. The Special Events team looks to learn more directly from clients regarding the stadium's strengths as well as its challenges in order to continue to grow with the industry and compete with new/updated venues.

3. Create Small Meetings & Reception Packages

As we continually look for new sales avenues, creative offerings and ways to capture additional business, the sales team is working with internal stakeholders to create small meetings and reception packages. These packages will include standard room setups, menus designed for small groups, turnkey AV packages and other event enhancements. Large events vary in size and scope and lead times can be anywhere from 12-24 months in advance of the event date. Most of the event inquiries or sales requiring a short lead time (2-3 weeks) are for small meetings and receptions. The goal in creating these packages is to streamline the booking and contract process for clients by providing a turnkey event that can be executed within a short timeframe.

The packages will be created by using historical event data like event size, event location, duration of the event and the associated operational costs. The sales team will work closely with Levy and internal departments to build the packages, with a goal to reduce the workload and increase booking opportunities.

Section in-Review:

**Increase New
Business
Leads &
Bookings**

**Generate More
Opportunities
to Book Large
Events**

**Create Small
Meeting &
Reception
Packages**

Levi's Stadium Major Events

Looking Back:

The Levi's Stadium's Major Events business since the stadium's inception has been a key driver in propelling the venue's reputation and popularity.

This past season we proudly hosted the USWNT v South Africa on their sendoff tour, the Mexican National Team and Rolling Stones. Major Events also drive the Special Event business, enticing corporate and social clients to book events at Levi's Stadium based on its popularity and prominence in the sports and entertainment industry. In 2019, we saw roughly 300,000 patrons come to Levi's Stadium for Major Events – many of these events also drawing national TV viewership.

These types of marquee events are also important to the thousands of SBL holders, who have committed more than \$500M to Levi's Stadium. Recent data shows that the quality and quantity of Major Events at Levi's Stadium is ranked as an important benefit for the SBL customers, and more than half of the SBL customers have purchased tickets to one or more Major Events. In a 2020 survey, 54% of the survey participants ranked Major Events as "Extremely or Very Important", with an additional 20+% ranking them as "Moderately Important".

To sustainably grow the business as well as develop a consistent event calendar for years to come, we cannot rest on prior achievements but must look ahead to how we can be innovative in the events we attract as well as the fan experience we provide. With that in mind, our Major Events business underwent three significant changes / updates over the last six months that will serve as initial groundwork to help grow this particular business:

1. Improved proposal process

The Stadium Manager has continually raised the quality of bids presented and has improved the contracted event agreements. Our goal is to optimize the proposal process to ensure we are competitive for attractive high-impact events and succeed in bringing new or established events to Levi's Stadium. Furthermore, by continually innovating our proposal process, we have effectively standardized roles and responsibilities within the greater bid process to better prepare ourselves on announcing, marketing, and delivering these events. We look forward to submitting several RFPs in 2020.

2. Cross-departmental involvement in the promotion and execution of an event

This past year, we created a Major Events Leadership team, led by Chief Revenue Officer, Brent Schoeb. The team covers all aspects of an event, with a particular emphasis on driving profitability and marketing for events. We have created more structure to incorporate internal Marketing and Design teams into the comprehensive event execution plan, which has not only helped overall exposure and caused attendance to rise but has also paid dividends on increasing demand and viewership for these events.

3. Proactivity on outreach

This past year, our team was focused on finding additional content to come to Levi's Stadium. Our team has met with organizations across all event sizes, from several large scale talent promoters to small ancillary festival events companies. We look forward to further cementing these relationships to drive events to Levi's Stadium.

As of January 2020, we currently have four major events slated for 2020, anchored by both BTS and Justin Bieber. Landing BTS was a major win for our building this year as BTS, the most popular band in the world, was very selective on their venues.

Looking Forward:

After four years of attracting, contracting, and successfully executing several high-profile events and shows, we will continue to focus on innovation for both the fan's experience and the venue's brand.

1. Source new events and relationships

In conjunction with our existing relationships with teams, leagues, and industries, tremendous potential exists to bring in new events that could not only serve immediate financial and community benefits, but also create financial sustainability as recurring events. By working to break down and understand the event landscape relative to what our guests and community want, we can bring new events with less risk and greater potential to attract new, diverse groups.

We are looking into increasing the diversity of ticketed events to not only host large-scale concerts and sporting events, but also smaller and more intimate events as well. For example, one promoter has launched a non-traditional events business that encompasses smaller family/children events and book tours. We are one of the first football stadiums to have expressed strong interest in hosting these events and we believe that our strong relationship with the promoter may provide an opportunity to bring these events to Levi's Stadium in the future. We also have team members studying the feasibility and opportunity of other larger stadium events such as rugby, cricket, stadium golf, obstacle course racing, etc.

Furthermore, we will work to review the curfew policies with the City of Santa Clara and associated partners in order to align on an event calendar that is set up to host new, attractive events for the community. While there are several factors and aspects to the city curfew and associated policies, it will be critical to collaboratively develop a flexible event calendar that is attractive to the events and partners our collective community wants to bring to Santa Clara. The results of these efforts will be most clearly manifested in how many events are contracted and executed, along with lost or missed opportunities based on our policies and reputation in the entertainment industry.

Despite many restrictions and challenges in contracting, executing, and budgeting Major Events, our go-to-market strategy to actualize the three key initiatives above will help further the City of Santa Clara and venue's ability to keep new Major Events coming while working towards financial stability and consistent growth in event count and revenue.

Bid strategically and creatively: We are well-positioned with an established proposal framework, bid team, and drafting / execution process to bid on most stadium-relevant events that we believe will benefit the Stadium Authority and appeal to our community, increasing our opportunities to further develop our Major Events pipeline. While no proposals are the same, having the processes solidified with a framework to begin with and be executed by a trained department will help keep Levi's Stadium nimble in its non-NFL events business efforts and better adapt to new and / or immediate event opportunities. A new focus for the coming year will be reviewing and analyzing more opportunities to host different events, such as the Stadium Links event, that creatively leverage the Stadium and accommodating infrastructure. Expanding our event profile will not only help build out our event calendar, but also attract new audiences and guests to the venue.

Advertise and promote Major Events and NFL games and related activities: To help increase popularity, viewership, and demand for Major Events, the Stadium Manager expects to continue promoting Major Events at 49ers home games and related NFL activities. While this has been an effective strategy for past Major Events, such as Monster Jam and previous Coldplay concerts, the Stadium Manager will look to increase and prioritize promoting Major Events at NFL events, with the expectation of increasing a Major Event's demand while bringing new, diverse audiences to our non-NFL events. Furthermore, the Stadium Manager will increase efforts to capitalize on NFL activities as opportunities to promote

upcoming Major Events. These promotions at NFL Events, and on the exterior LED panels on Levi's Stadium, will need to be negotiated with the 49ers, and the costs of the promotions will be borne by the Major Events.

2. Leverage financial projections and ticketing data from past events to drive incremental revenue

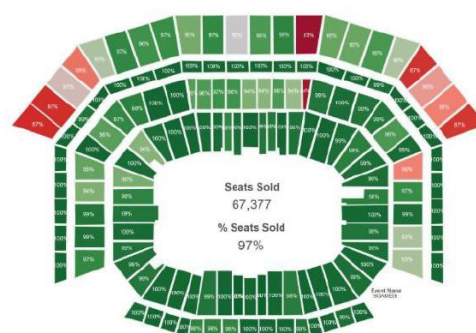
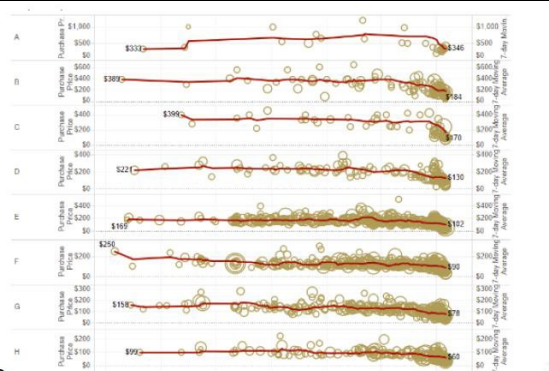
As the ticketing landscape and financial models behind sports and entertainment continue to change, we need to think of new ways to capitalize on high-demand products and events by tracking and monitoring the ticket marketplace with predictive analytics. With four successful previous years of hosting events we can leverage past results and key event metrics, including attendance, average ticket price (ATP), revenue per fan by event, number of new fans versus returning fans. Keeping our measurements tied to the revenue results of our events will provide the clearest indication of these effort's success and what elements of our strategy or initiatives need to be changed or improved moving forward.

Data-driven marketing campaigns: Similar to how we aim to apply the principles of A / B testing to determine optimum marketing strategies for Special Events, we will continue examining where fans go to learn about events, where they buy tickets, and what drives those actions in order to best market our events to fans and drive conversion. This concept is realized through a multitude of campaigns across email and social channels, especially Facebook. An iterative feedback loop will be instrumental in helping us continually improve our marketing strategy while learning what plans / campaigns work for different events, various target demographics, or other determining factors.

Dynamic Ticket Pricing: Applying dynamic ticket pricing as a common practice to all non-NFL events will help us better price ticketed events while allowing the venue to capture incremental revenue using predictive analytics of the secondary market. We have developed tools and dashboards similar to the following examples, which highlight secondary market activity and current sell-through rates for Stadium events.

Ticket prices relative to secondary market

Levi's Stadium view by percentage seats sold



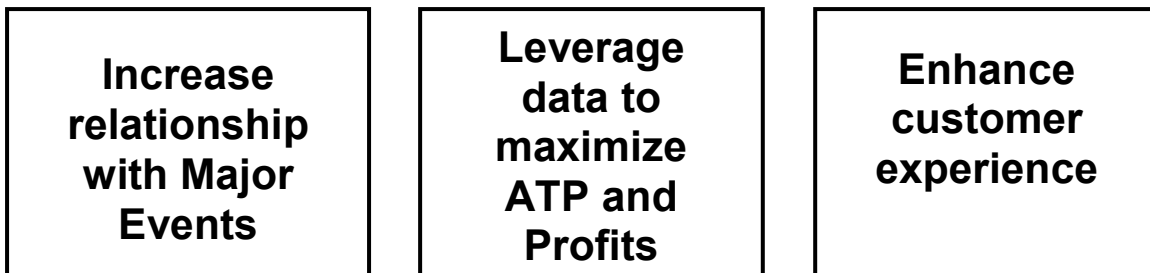
Group Packages and Experiences: To help drive demand and attendance for events that are not anticipated sell-outs, we have several methods to incentivize group ticket purchases, strategic use of complimentary tickets, and additional hospitality or premium packages to drive additional revenue. Specifically, Levi's Stadium events can leverage Loaded Tickets, a virtual payment method that allows fans to spend money by using their ticket at the game, in order to drive group sales and increased event day per cap. Additionally, Levi's Stadium seeks to leverage other elements of the Stadium Manager's business, especially fan-facing departments (i.e. Fan Engagement and 49ers EDU) to tap into viable group ticket sale targets.

3. Enhance Fan Experience at Major Events

We have issued thousands of surveys to our guests and gathered have a great understanding of our fans' highlights and pain points. Based off this feedback, we are planning to enhance our food and beverage experience. Our intent is to upgrade concessions and club areas by adding 100+ additional pieces of equipment for all of our concession stands, customized signage across all concessions stands, and upgraded technology to create a seamless experience for our guests.

In addition, we recently introduced the Executive Huddle, a real-time data center designed to help staff identify and resolve attendee issues during all major events at Levi's Stadium. This custom solution is the first-of-its kind, and helps us provide all attendees with a better experience across a myriad of stadium functions: parking, ingress, restrooms, concessions, retail, premium spaces, and guest services. The Executive Huddle is especially valuable during non-NFL events, when a higher percentage of attendees are new to the stadium. It can be daunting to navigate a new stadium, but with the Executive Huddle, we can better service first-time attendees and provide the level of experience one might expect of a seasoned veteran.

Section in-review:



Conclusion

We are confident that we have outlined a marketing plan and overall strategic approach that will continue to drive high-impact events and revenues for Levi's Stadium, but there are some additional risks and considerations we will need to address and work on with the SCSA Staff to ensure the Stadium Authority's success for years to come. Specific to costs, it will be important to continue working together with respect to changes / updates that may impact the venue. From a brand perspective, it will be important for all parties to collectively manage the venue's reputation, calendar availability, and event broadcasting as these three factors are significant in our efforts to bring high-impact events to the Stadium while attracting a wide variety of guests.

Appendix

The Life Cycle of a Special Event

The life cycle of a special event begins with a lead and ideally will end with a lead. Whether it be a social gathering, association event or corporate meeting, groups are constantly planning events to help grow their business and build a stronger community within their industry. After a group determines what the event will be and how much they would like to spend, the next step is deciding on a venue. The objective of the Levi's Stadium Event Sales team is to be front and center when clients search for a venue whether it be online, through a referral or by attending events. Below is a brief description of our sales process from start to finish.

1. Sales Leads - Inbound V. Outbound

- a. Source of Inbound Leads:
 - Website – Event Inquiry Form
 - Direct e-mail (listed on our website & marketing materials)
 - Phone call (listed on our website & marketing materials)
- b. Source of Outbound Leads:
 - Networking events
 - Cold calls (phone or in-person meeting)
 - E-mail (direct or e-blast)

2. Initial Sales Call – Qualifying a lead

- a. Once a lead is generated, the sales representative will qualify the lead, discussing the client's budget and event specifications
 - If the lead does not fit the minimum requirements or the specifications are beyond what the stadium can accommodate, the sales representative will keep the lead on a list of prospective clients and include them in future e-mail campaigns and outreach. There is always a potential for these clients to come back to Levi's Stadium in the future.
 - If the client's budget and event specifications meet the stadium's requirements, then the lead is qualified as a "hot lead" meaning it's likely to go to contract.

3. Proposal Phase – Sales calls & site visits

- a. After the lead has been qualified as a "hot lead," the sales representative will then continue conversations with the client, setting up additional calls as well as a stadium site visit. This is when the client has an opportunity to tour the event space and ask questions about logistics, layouts, space capabilities, food and beverage, AV, event add-ons and anything else they wish to discuss. The sales representative may also include an Event Manager, the Catering Sales Manager and the AV Manager on site visits if it benefits the client.
- b. Once the sales representative understands fully what the client is looking for and the event objectives, a proposal can be created which outlines the estimated event costs.
- c. This phase will likely include communication back and forth between the client and the sales representative, clarifying the costs in the proposal and making updates as needed.

4. Contract Phase

- a. Once a proposal is agreed on, the sales representative will generate a standard event contract to include the estimated event costs and payment schedule as well as insurance requirements and other policies and procedures related to hosting an event at the stadium.
- b. Once the contract is signed by both parties and a deposit is paid by the client, the event is confirmed and can move on to the next phase, event planning.

5. Event Planning Phase

- a. After the contract has been fully executed, the Sales Representative introduces the client to their assigned Event Manager who will act as the main point of contact through the end of the event.
- b. The Event Manager is responsible for assisting in all event logistics, menu planning, AV requirements, event add-ons and 3rd party vendors as well as managing the client's budget and coordinating with internal departments. There are many roles involved in planning and executing private events, therefore the purpose of the stadium Event Manager is to streamline communication and reduce unnecessary stress on the client's side.

6. Event Execution Phase

- a. On the day of the event, the Event Manager works closely with the Event Operations Coordinator and internal department leads to ensure all event details have been properly communicated. From event install to a pre-event operations meeting to opening doors, there is always someone on site with the client making sure last minutes updates and adjustments can be accommodated.
- b. At the conclusion of the event, either the Event Manager or the Event Operations Coordinator remains onsite until all guests, client staff and vendors have exited the building.

7. Post-Event Phase – Billing, Event Survey and Sales Outreach

- a. In the days following the event, the Event Manager collects all final costs and sends the client a final invoice, typically within 48 hours. In addition to the final invoice, the client is sent a link to a post event survey. The survey covers every phase of the event, from sales to event planning to final billing. The goal of the survey is to give clients an opportunity to provide honest feedback immediately following the event, which is then reported and reviewed with internal departments.

8. Final Phase - Sales Outreach

- a. In an effort to keep the process truly cyclical, the Sales Representative will then reach out to the client to setup a call to discuss future event opportunities. Whether this call happens immediately following the event or weeks/months later, the Sales Representative will keep the client on a “past buyer” list and will check in with the client periodically. We never know when the next event opportunity will arise so frequent and consistent sales outreach is imperative.

3/5/2020

item 1

Santa Clara Stadium Authority

*Draft 2020 Non-NFL Events Marketing Plan for Levi's® Stadium in
accordance with Section 4.10 of the Stadium Management
Agreement*



March 5, 2020
Item 1, RTC #20-272

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Agenda

1. Review of draft 2020 Marketing Plan

- Data Metrics
- Agreement with Management Agreement
- Other Marketing Plan Items

2. Review of draft Proposed 2020/21 Stadium Authority Shared Expenses & Capital Budgets



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POST MEETING MATERIAL

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Marketing Plan

- Sets out business activity strategies for booking, marketing, operation, and managing, etc. the Stadium.
- Contextual for informing business decision and how to strategically proceed
- Must be mutually agreed to by both the Stadium Manager and the Stadium Authority
- Quality review and discussion is needed “at a bigger picture” because of the Stadium Manager’s poor financial performance



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Background

- Section 4.10 Marketing Plan in the Management Agreement between the Stadium Authority and ManCo, requires ManCo to develop a Marketing Plan for Non-NFL events for inclusion in the Stadium Operation and Maintenance Plan (SOMP) and mutual agreement of it by the Stadium Authority.



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Background

- Marketing Plan is required to include the Stadium Manager's plans to develop, implement and monitor marketing, booking, advertising and promotion of Non-NFL Events for the Stadium.
- ***Oversight and Monitoring & Data Driven Decisions*** -- ManCo committed to develop key performance indicators (KPIs) during the first quarter of FY 2018/19 but ultimately did not, despite significant support from Stadium Authority staff.



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Draft 2019 Marketing Plan

- On March 19, 2019, Stadium Authority staff transmitted ManCo's draft 2019 Marketing Plan to the Board.
- By this time, ManCo had already advised through the media that the projected revenues for FYs 2018/19 and 2019/20 would decrease significantly.
- With no KPI data and ManCo's report of their poor financial performance, the Stadium Authority did not approve the Marketing Plan.



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Impact on Non-NFL Event Revenue

- FY 2018/19 Q4 fiscal status report showed that Non-NFL event activities only generated \$18,591 in net revenue, reflecting a \$5.1 million loss in net revenue compared to FY 2017/18
- ManCo has already advised of similar results for this current fiscal year (FY 2019/20)
- For FY 2020/21, ManCo has only provided a “TBD” for its net Non-NFL event revenue.



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Key Issues with 2019 Marketing Plan

- Absence of KPIs and corresponding data for data-driven decisions
- No meaningful discussion regarding the Naming Rights Agreement requirement (36 “Major Events”) and lacking plan to meet the minimum goals
- Significant decrease in projected net revenue for FY 2018/19 Non-NFL events and NO strategies to mitigate more losses
- Lack of explanation of how ManCo’s business practices, e.g., booking so many money-losing events and various giveaways, was strategically profitable and commercially reasonable, within the fiscal context



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Draft 2020 Marketing Plan



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Key Considerations

- ManCo is required as fiduciaries under the Management Agreement to act in the Stadium Authority's sole best interest.
- With anticipated three FYs of poor financial performance, ManCo should have responsibly proposed how to restore financial viability for the Stadium Authority and a "turnaround" strategy.
- Stadium Authority's draft 2020 Marketing Plan was reviewed and considered against:
 1. Data Results,
 2. Alignment to Management Agreement provisions, and
 3. Other Key Information.



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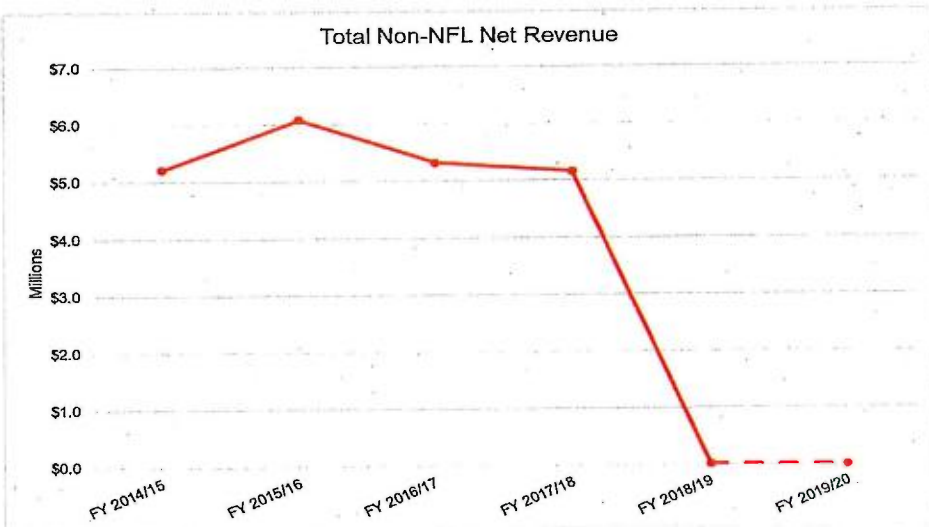
Marketing Plan Data Results

Marketing Plan – *Booking and Financial Performance*

- In absence of KPI data committed to by ManCo, Stadium Authority has staff compiled several key charts with data that reflects ManCo's performance with Non-NFL events.
- The following charts illustrate how ManCo ended FY 2018/19 and their overall management of Non-NFL events based on their existing Marketing Plan strategies and practices.

Total Non-NFL Net Revenue, FYs 2014 – 2020

- Since FY 2015/16, total Non-NFL net revenue has declined year after year.
- Total Non-NFL net revenue dropped most significantly from FY 2017/18 to FY 2018/19, reflecting a \$5.1 million decrease.



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Marketing Plan – Booking and Financial Performance

- The trend is expected to continue since there is no net revenue proposed, just a "TBD", by ManCo for FY 2020/21.
- The sum of these data demonstrate that both the Stadium Authority and City of Santa Clara make no revenue from ManCo's booking and operations of Non-NFL events.

Net General Fund Impact

For Stadium Authority Fiscal Year to Date Ending March 31, 2019

Ground Rent	\$	320,000
Performance Rent		-
Senior and Youth Fee		227,933
Tasman Lots Parking Fee		23,645
Sales Tax		619,224

Total Net General Fund Impact	\$	1,190,802
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Marketing Plan – Booking and Financial Performance

- 75% of ticketed events are money-losers, 9 out of 12 events lost money or made zero revenue for the Stadium Authority.
- ManCo spent \$43.9 million to make \$41.3 million.
- ManCo's sudden booking of second day concert and multi-year Non-NFL football events are bad booking decisions for the Stadium Authority.
- Even soccer games, which were once profitable, have now begun to lose the Stadium Authority money.



2018/19 Ticketed Non-NFL Events Revenue and Expenditure Summary

In Millions \$

Ticketed Events	Revenue	Expenses	Net
Monster Jam	1.4	1.6	(0.2)
Taylor Swift Tour Day 1	5.1	6.9	(1.8)
Taylor Swift Tour Day 2	10.5	7.8	2.7
Stadium Links	0.1	0.0	0.0
Manchester United vs Earthquakes	1.6	1.9	(0.3)
ICC: Barcelona vs AC Milan	4.4	4.0	0.4
High School Football Series	0.1	0.1	0.0
Jay-Z/Beyonce	8.4	7.9	0.5
SJSU vs Army	0.2	0.4	(0.2)
Pac-12	1.3	4.0	(2.7)
Redbox Bowl	4.6	5.2	(0.6)
Mexico vs Paraguay	3.6	4.1	(0.5)
Events to date	41.3	43.9	(2.6)

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Marketing Plan – Booking and Financial Performance

Net Revenue for Non-NFL Events by Event Type as of March 31, 2019

EVENT TYPE	2014/15		2015/16		2016/17		2017/18		2018/19	
	No. of Events	Net Revenue	No. of Events	Net Revenue	No. of Events	Net Revenue	No. of Events	Net Revenue	No. of Events	Net Revenue
Ticketed Events										
Concerts	0	\$ -	7	\$ 3,791,985	4	\$ 2,424,572	2	\$ 1,819,099	3	\$ 1,438,848
Sporting events:										
Football (non-NFL)	5	(3,007,907)	4	(2,316,903)	4	(2,946,165)	4	(3,601,827)	4	(3,437,297)
Soccer	2	3,948,144	2	891,300	5	2,414,209	3	3,228,754	3	(267,981)
Miscellaneous events	2	2,504,912	4	(149,392)	5	(159,175)	4	76,379	2	(67,502)
Subtotal Ticketed Events	9	\$ 3,445,149	17	\$ 2,216,989	18	\$ 1,733,441	13	\$ 1,522,405	12	\$ (2,333,932)
Special Events (weddings, corporate events, etc.)	186	\$ 1,762,404	204	\$ 3,862,027	127	\$ 3,583,453	113	\$ 3,640,924	100	\$ 2,352,523
Total Non-NFL Net Revenue	195	\$ 5,207,553	221	\$ 6,079,016	145	\$ 5,316,894	126	\$ 5,163,329	112	\$ 18,591
Total Performance Rent paid to the General Fund		\$ 2,613,777		\$ 2,932,008		\$ 2,533,447		\$ 2,439,164		\$ -



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Marketing Plan – *Booking and Financial Performance*

- Year after year, Non-NFL football events have lost over **\$15 million** for the Stadium Authority.
- Special Events have consistently generated revenue for the Stadium Authority, but their numbers have declined since FY 2015/16.
- The amount of total performance rent paid to the General Fund has also decreased year after year since FY 2015/16.
- There was zero performance rent paid to the General Fund in FY 2018/19.



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“Business as Usual” Approach

- Based on this data, any business can reasonably require a “turnaround” strategy and ManCo’s absence of one should concern the Board.
- ManCo should explain how it is commercially reasonable to continue with these business practices.
- Shallow strategies to drive up Non-NFL event bookings:
 - LinkedIn site
 - Proposed quarterly newsletter



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Alignment to Management Agreement Provisions

Some Relevant Management Agreement Provisions

1. Notify, Section 2.6.20
2. Standard of Care, Section 2.9
3. Marketing Plan, Contracting Authority, Section 3.2
4. Quarterly Status Meetings, Section 3.3

Duty to Promptly Disclose

- Section 2.6.20 (“Notify”) in the Management Agreement requires that ManCo notify the Stadium Authority of **any expected material variations from budgeted line item revenues and/or expense projections as promptly as is practicable** after the Stadium Manager becomes aware of such likely variations.
- Despite \$2.4 million of increasing expenses in FY 2018/19, ManCo did not take any action to formally advise the Board of increased expenditures projections.
- ManCo should proactively and timely disclose any financial matters that enable the Board to make sound financial decisions.



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Standard of Care

- Section 2.9 (“Standard of Care”) in the Management Agreement requires ManCo to:
 1. Maintain the Stadium in required condition and operate it as a quality facility,
 2. Control Manager Operating Expenses, and
 3. Maximize operating revenues.
- The draft 2020 Marketing Plan does not reflect an urgency and effort on ManCo’s part to meet these three requirements.



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Standard of Care Cont'd

- During FY 2019/20, City staff discovered that ManCo was not maintaining the Stadium in the required safe condition. Examples include:
 - Failure to maintain a certified Stadium Fire Alarm System for months, which is state required
 - Failure to control Manager Operating Expenses
 - Failure to Maximize Operating Revenue

Marketing and Booking Requirements

- Section 3.2 ("Marketing Plan; Contracting Authority") in the Management Agreement makes clear that ManCo's work is done **"on behalf of the Stadium Authority only (not StadCo), (a) the Stadium Manager shall use commercially reasonable efforts, consistent with the Marketing Plan, to market, promote, schedule and book Non-NFL Events and other activities at the Stadium."**
- However, the contract terms that ManCo enters into have resulted in significant losses to the Stadium Authority.
- Additionally, ManCo's own documents have surfaced concerns about their questionable business practices of not working exclusively for the Stadium Authority when booking Non-NFL events.

Example: Redbox Bowl

- The December 2019 discussions revealed that ManCo's actions directly conflicted with Section 3:
 - Negotiated contracts on behalf of the Stadium that resulted in more losses and potential self-dealing by President Al Guido. Contract's redacted sections were financial commitments made to StadCo by ManCo by President Al Guido (who acted obo of parties).
 - Several terms that were committed to by ManCo, on the part of the Stadium authority that lowered profitability (e.g. room night stays at a top-of-the-line downtown San Francisco hotel, complimentary meals and gifts to each participant, courtesy vehicles, etc.)



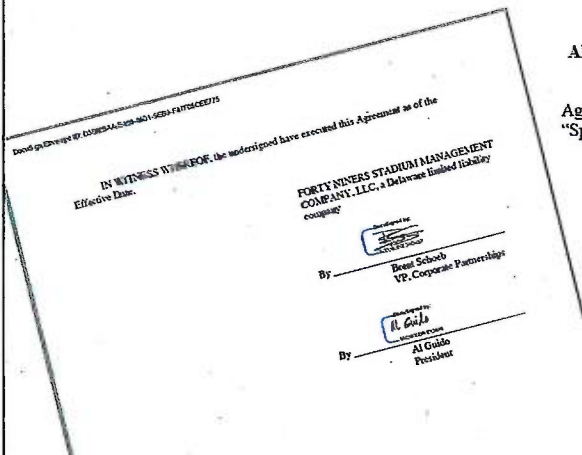
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	12/30/2014 Foster Farms Bowl	12/26/2015 Foster Farms Bowl	12/26/2016 Foster Farms Bowl	12/30/2017 Foster Farms Bowl	12/31/2018 RedBox Bowl	Totals
Revenue						
Seating Bowl Revenue	2,229,000	600,158	1,749,344	1,709,883	2,106,960	8,395,345
TM Fees	33,885	26,118	15,876	20,403	31,609	127,893
Suite Revenue	60,379	90,834	26,759	51,382	58,426	287,779
F & B Revenue	146,907	158,572	90,072	102,043	147,527	644,522
Parking Revenue	155,393	138,130	59,760	66,005	97,073	516,361
Rental / Guarantee						
Sponsorship			1,332,125	496,600	499,800	2,328,525
Merchandise		1,096	21,378	16,551	11,402	50,427
Other Revenue		7,000	1,666,524	1,628,368	1,658,827	4,960,718
Total Revenue	2,624,965	1,021,907	4,961,838	4,091,234	4,611,625	17,311,570
Expenses						
Guest Service Representatives	60,541	78,979	57,361	30,513	59,024	286,419
Public Safety Cost	171,161	163,416	156,643	110,560	326,096	927,876
Security	142,201	131,060	113,802	58,266	104,234	549,562
Janitorial / Maintenance	88,483	107,097	98,391	81,527	10,164	385,661
Field Conversion / Replacement	15,280	10,619	4,413	3,387	840	34,538
Other Stadium Operations	30,693	27,303	23,814	35,155	92,023	208,987
Utilities	20,518	15,324	20,658	20,544	19,368	96,412
Other Gameday Staff	25,913	57,614	118,887	74,377	179,425	456,216
Transportation	25,958	25,573	(2,429)	26,895	21,238	97,236
Parking Operations	149,630	164,686	148,866	91,034	151,318	705,535
Parking - 3rd Party Lot Rentals		13,759	1,071	1,601	(6,653)	9,778
Credit Card Fees	1,236	9,795	5,633	3,616	710	20,990
Catering	59,940	9,281	86,213	36,039	87,388	278,862
Partner Payments & Guarantees	2,143,404	412,939	3,615,000	3,600,000	3,602,535	13,373,878
Ticket Sales Commissions	24,975	7,292	7,515	1,779	3,597	45,157
Marketing Expense	7,998	11,087	137,068	105,666	108,500	370,320
Bowl Committee Expenses			456,023	441,253	397,554	1,294,830
Partner Reimbursement			(65,026)	(77,658)		(142,684)
Total Expenses	2,967,932	1,245,822	4,983,901	4,644,556	5,157,362	18,999,573
Net Profit/(Loss)	(342,967)	(223,915)	(22,063)	(553,322)	(545,737)	(1,688,003)

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Title Sponsorship Agreement



ARTICLE 8. SPONSORSHIP FEES.

8.1 Sponsorship Fees. In consideration for the rights granted to Sponsor in this Agreement by the Forty Niners, Sponsor shall pay the Forty Niners annual sponsorship fees (the "Sponsorship Fees") in the following amounts on or before the following dates:

Amount	Date Due
\$	October 1, 2018
\$	January 7, 2019
\$	July 7, 2019
\$	January 7, 2020
\$	October 1, 2020
\$	January 7, 2021

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Stadium Venue Use Agreement

Exhibit A-2: Bowl Hospitality Requirements

2. Hotels.

- Each Event Partner shall require its respective Participant to arrive four days prior to the Event and utilize at least Six Hundred (600) room nights at the team hotel designated by Stadium Manager with a four-night stay (five-night stay optional) with rates not to exceed One Hundred and Sixty-One Dollars and Seventy Cents (\$161.70), plus tax, in 2016 (escalating at a maximum of four percent per year during the Term) per night per room, at a downtown San Francisco, top-of-the-line hotel. The Participants shall have the option of staying at a hotel at or near Santa Clara the night before the Event. The Pac-12 Conference official hotel and the Big Ten Conference official hotel shall each be a premier San Francisco property.
- Five Hundred (500) additional team, official party, and fan room nights at rates not to exceed One Hundred and Sixty-One Dollars and Seventy Cents (\$161.70), plus tax, in 2016 (escalating at a maximum of four percent per year during the Term) per night per room will be made available to and at the option of the participating institutions. Stadium Manager shall make best efforts to secure lower room rates.
- In no event shall the room rate under Sections 2.a.-b. exceed \$175.00, plus tax, during the Term.
- Each Event Partner shall require its Participant to have its pep band arrive at least two days prior to the Event and the Participant shall be provided rooms at a maximum of One Hundred and Forty-Three Dollars (\$143.00), plus tax, in 2018, (escalating at a maximum of four percent per year during the Term) per night for either double, triple, or quadruple rooms.

- Each Event Partner shall receive Three (3) complimentary hotel suites at the team hotel.

- Team meeting space shall also be provided at the team hotel at no charge.

- Meals. Stadium Manager shall cause Three (3) complimentary meals to be provided to each Participant between the date the Participants arrive for the Event and the day following the Event. Example of one meal would be the official Team Party for One Hundred and Twenty-Five (125) guests with the time and location to be determined by Stadium Manager.
- Vehicles. Each Participant shall receive Four (4) courtesy vehicles for use during the official party stay, to be supplied by Stadium Manager, and in addition, Stadium Manager shall make available One (1) additional car and a driver to each of the Pac-12 Conference and the Big Ten Conference to transport members of the respective conference institution's official party to official functions of Stadium Manager.
- Gifts. Stadium Manager shall provide on a complimentary basis One Hundred and Twenty-Five (125) team/player/official party gifts to each Participant at a value that should be at, but not exceed, the applicable NCAA limit for such year.
- Practice Facilities. Stadium Manager shall provide practice facilities to each Participant and band at no cost and at a location determined by Stadium

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Marketing Plan – *Booking and Financial Performance*

- Section 3.2 requires that ManCo “shall use commercially reasonable efforts, consistent with the Marketing Plan,”.
- Inadequate explanation of how ManCo’s practice of money-losing ticketed events, costly contract terms, existing business practices (that are in violations of state and local laws), etc. are advantageous marketing strategies and commercially reasonable.
- Redbox Bowl provides illustrates why both data and the quality of contract negotiations are important for the Marketing Plan.
- A “business as usual” Marketing Plan provides no assurance that these actions will be terminated.
- This is just one example, the extent is unknown. Stadium Authority has asked for event contracts but has not received all of them.

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Disclosure and Reporting “Without Limitation”

3.3 Quarterly Status Meetings. The Stadium Manager and the Executive Director shall, at the request of the Executive Director, at a mutually convenient time meet and confer no less than quarterly during the Term of the Management Agreement to report on the status of the approved Marketing Plan, including, without limitation, **the status of Stadium Manager’s marketing and promotional efforts, the status of any ongoing negotiations with respect to Non-NFL Events, financial performance and other matters relating to past Non-NFL Events,** development of the Marketing Plan for the succeeding fiscal year, and such other similar or other topics as the Stadium Authority may request. In addition, ... **the Stadium Manager shall furnish the Executive Director, within 45 days of each Non-NFL event with attendance projected to exceed 25,000 and on a quarterly basis for all other events,** such as written revenue or reports relating to Non-NFL Events as the Parties may agree from time to time.

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Disclosure and Reporting “Without Limitation”

- Stadium Authority continues to learn of events through the media. Executive Director has requested event contracts and ManCo has not complied with requests.
- ManCo has been delayed on numerous occasions with providing the required “45 day reports”.
- ManCo’s actions impair Stadium Authority’s ability and monitor ManCo’s booking and financial performance.



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Other Key Information



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Reoccurring Issues

- The draft 2020 Marketing Plan reflects many of the same issues that were previously highlighted for the 2019 Marketing Plan:
 - Poorly gauges the seriousness of ManCo's poor financial performance, arising from their marketing, booking, and operations of Non-NFL events.
 - Misleading reference of high volume of activity, but does not mention the financial quality of that activity.
 - Does not mention the Naming Rights Agreement requirement to hold at least 36 Non-NFL "Major Events" every three contract years nor includes plan to meet this requirement in the future.

"Turnaround" Strategy Needed

Unless a dramatic financial "turnaround" strategy is presented or a valid explanation for how this continued performance is commercially reasonable, the Stadium Authority staff cannot recommend investment in or approval of the 2020 Marketing Plan.

ManCo should explain how continuing their booking and financial performance is commercially reasonable, compliant with the law, and ensures that the Board's approval is not in support of state laws regarding self-dealing, public procurements, etc.

Recommendation to the Board

Stadium Authority Board Discussion and possible action on ManCo's draft 2020 Marketing Plan.



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FY 2019/20 Ticketed Non-NFL Events Performance to Date

- Important Note: All Revenue and Expenses presented includes actual data known to date, but is not complete. Invoices and other expense data are periodically updated as actual amounts become known. As such, the Net revenue amounts will change and are not final until all event Revenue and Expenses are known.

In Millions \$

Ticketed Events	Revenue	Expenses	Net
Monster Jam	1.6	2.0	(0.4)
Wedding Fair	0.0	0.0	0.0
USWNT vs South Africa	0.3	0.1	0.2
ICC: Chivas vs Benfica	1.2	1.4	(0.2)
Rolling Stones	11.3	10.5	0.8
High School Football Series	0.1	0.1	0.0
Pac-12 Championship	3.1	5.3	(2.2)
Redbox Bowl	4.5	4.5	0.0
Events to date	22.1	23.9	(1.8)