VII. STANDING COMMITTEES

B. Finance and Asset Management Committee

Alaska Airlines Signature Partnership

RECOMMENDED ACTION

These recommended actions come to the board with the recommendation of Interim President Cauce.

1. Approve general terms of the Alaska Airline Signature Partnership, with delegated authority provided to the Interim President to sign a final contract subject to a final review by the Chair of the Finance and Asset Management Committee;

2. Per the UW Naming Right Agreement Policy, approve agreement to temporarily name and affix logos to buildings or outdoor spaces included in the Signature Partnership.

BACKGROUND

Alaska Airlines and the University of Washington have crafted a new, comprehensive sponsorship partnership. The proposed partnership expands on current engagements Alaska has with the UW to create a university-wide program.

Major stakeholders involved in this partnership include:

Athletic Department – Facility Naming Rights and Multi-Media Rights
Alumni Association – Affinity Credit Card
UW Marketing and Student Life – Campus Events and Programs, Career Services
Travel Office – Business travel promotions and benefits for faculty and staff.

The signature partnership package was marketed to several local and national businesses that expressed interest in naming and sponsorship opportunities. Ultimately, Alaska Airlines emerged as the best candidate given its established dedication to ICA and the University, its local community roots, and its commitment to an agreement that will significantly benefit both parties.

Interim President Cauce has been informed and advised during the process of negotiating this signature partnership package, and it has her recommendation for approval by this Board.
VII. STANDING COMMITTEES

B. Finance and Asset Management Committee

Alaska Airlines Signature Partnership (continued p. 2)

TERMS AND FEES

10-Year, $41M Agreement with a contract date of September 1, 2016, with an additional $1M “Stub Year” containing partial “ramp up” ICA benefits in FY16.

- Stub Year: $1,000,000 annual fees FY16
- Year 1 – 10 $4,000,000 annual fees FY17 – FY26

An overview specific terms and rights is attached.

PEER COMPARISONS

Naming rights on college athletic facilities are traditionally difficult to sell. While a number of Pac-12 and Big-10 schools currently have naming rights deals in the marketplace, there are only a few comparable peer institutions that have completed naming right deals.

<table>
<thead>
<tr>
<th>UNIVERSITY</th>
<th>FACILITY</th>
<th>ANNUAL FEES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Illinois Arena</td>
<td>State Farm Center</td>
<td>$2,000,000</td>
</tr>
<tr>
<td>Minnesota</td>
<td>Stadium - TCF Bank Stadium</td>
<td>$1,350,000</td>
</tr>
<tr>
<td>UC Berkeley</td>
<td>Stadium - Kabam Field</td>
<td>$1,200,000</td>
</tr>
</tbody>
</table>

Note that the proposed partnership with Alaska is unique because it is comprehensive. In addition to naming rights, it also includes multi-media rights, an affinity credit card agreement, and campus sponsorship opportunities.

EXTERIOR SIGNAGE

Visual rendering of proposed signage is attached and includes the following:

Alaska Airlines Field at Husky Stadium

- East Scoreboard - Prominent, lit signage on the east-facing portion of the east scoreboard of Alaska Airlines Field at Husky Stadium
- West Side - Prominent, lit signage on the west-facing exterior of the west side of Alaska Airlines Field at Husky Stadium.
- Entrance Gates - “Welcome to Alaska Airlines Field” with Husky Stadium at the North, NW an SW gates of Husky Stadium.
- Roof - Prominent signage on the south roof structure and the west roof structure of Husky Stadium.
VII. STANDING COMMITTEES

B. Finance and Asset Management Committee

Alaska Airlines Signature Partnership (continued p. 3)

Alaska Airlines Arena

- No change. Continue with existing sign locations.

UW Athletic Village

- Up to 5 “monument” style signs in mutually agreed upon locations.

Attachments
1. Sponsorship, Alaska Airlines, Overview of Terms
2. Alaska Airlines Signature Partnership Visuals
OVERVIEW OF TERMS

GENERAL RIGHTS

Designation and Exclusivity – Alaska Airlines will be named the “Official Airline Partner of the University Of Washington” and receive marketing and promotion exclusivity within the airline category. The contract does not include an obligation for the UW to exclusively use or purchase tickets on Alaska Airlines.

Rights To Marks – Alaska Airlines will receive a limited use of the UW Athletic and UW Academic marks for promotional purposes.

INTERCOLLEGIATE ATHLETICS

Naming Rights of Athletic Facilities

Alaska Airlines Field at Husky Stadium – Referred to in all media and uses as “Alaska Airlines Field at Husky Stadium”.

- Exterior Signage (Beginning in Year 1)
  - East Scoreboard - Prominent, lit signage on the east-facing portion of the east scoreboard of Alaska Airlines Field at Husky Stadium
  - West Side - Prominent, lit signage on the west-facing exterior of the west side of Alaska Airlines Field at Husky Stadium.
  - Entrance Gates - “Welcome to Alaska Airlines Field” with Husky Stadium at the North, NW an SW gates of Husky Stadium.
  - Roof - Prominent signage on the south roof structure and the west roof structure of Husky Stadium.

- Interior Signage
  - On-Field: Two (2) on-field signs. Field logos begin in the “Stub Year” (by September 19, 2016).
  - Concourse Columns: Two (2) designated column wraps on the concourse level at TBD locations.
Alaska Airlines Arena: Referred to in all media and uses as “Alaska Airlines Arena at Hec Edmundson Pavilion”.

- Exterior Signage – No change. Continue with existing sign locations.
- Interior Signage – Continue with existing sign locations, including the arena floor.

UW Athletic Village: Referred to in all media as uses as “UW Athletic Village Presented by Alaska Airlines”.

- Exterior Signage – Up to 5 “monument” style signs in mutually agreed upon locations.

Other Athletic Assets

- Suites – Suite at Alaska Airlines Field and Alaska Airlines Arena
- Group Tickets - Opportunity for Alaska employee benefits such as group ticket discounts and internal offers.

Multi-Media Rights (Held By IMG)

IMG is the rights holder for the multi-media assets associated with the UW Athletic Department (12 year agreement signed July 2013). In return for controlling these rights, ICA receives $6.7M in average annual revenue from IMG.

$1.1M will be passed through to IMG to secure the package of athletic multi-media rights for Alaska.

- Intellectual Property – Marks, Images, Official Designations
- Interior Signage – LED Boards, Concourse Monitors, and Video Boards.
- Media – Radio, Print, website, email, and social media
- Hospitality – Tickets, VIP experiences

CAMPUS AND ALUMNI

Communications

- Messaging opportunities in UW digital and print communications to support Alaska-UW partnership and engagement.
Campus Events
• Alaska will receive sponsorship rights at up to six (6) campus events.

UW Career Center / Premier Employer Status
• Premier Package of Benefits

Office of Minority and Diversity Affairs
• “Gold” Level Package of Benefits

Business Travel
• Provide Alaska with opportunities to develop relationship with UW Travel Office with the goal of delivering the best fares and service for UW faculty and staff
• No obligation for the UW to use Alaska Airlines over other airlines.

UW Alumni Association
• Right to market affinity credit card with UW marks
Alaska Airlines Signature Partnership Visuals
UW Naming Rights Agreement Policy
5. Intercollegiate Athletics Facilities and Playing Fields Temporary Naming Rights Agreements

The University may enter into agreements with business entities to temporarily name intercollegiate athletics facilities or playing fields when the business entity makes a substantial contribution to the University's intercollegiate athletics program. A "substantial contribution" in this context means that facts and circumstances, including relevant market conditions, show that the business entity is making a substantial financial contribution to the University's intercollegiate athletics program. Any such agreements must be reviewed by Advancement working with the Department of Intercollegiate Athletics and will normally be for a fixed term of five years and not in excess of ten years. The term should be consistent with the contribution. Any agreement to temporarily name an interior feature, object or space must be approved by the President. An agreement to temporarily name an interior feature, object or space may include the right to place a sign or signs on the exterior of a building or an outdoor area; however, such right shall be approved by the Board of Regents upon the recommendation of the President. Any agreement to temporarily name buildings or outdoor spaces must be approved by the Board of Regents upon the recommendation of the President.
The logo of a business entity may be included on the name temporarily affixed to an interior feature, object, space, building or outdoor area if the logo is part of a unique design created in part for the purpose of acknowledging the relationship between the University and the business entity. Inclusion of a logo in a unique design on the name temporarily affixed to an interior feature, object or space shall be reviewed and approved by the President. Inclusion of a logo in a unique design on the name temporarily affixed to a building or outdoor area shall be approved by the Board of Regents upon the recommendation of the President.

This policy will apply to both new and existing interior areas, features, objects, spaces, buildings, and outdoor areas or spaces. No agreement shall detract from the institution's values, dignity, integrity, or reputation, nor shall it create a conflict, or the appearance of a conflict, of interest or confer special privileges. The business entity shall have a prominent relationship with the University and/or the region, and have a positive image and demonstrated integrity. In the event of changed circumstances, the University reserves the right, on reasonable grounds, to revise the form of or withdraw recognition. In the event there are any inconsistencies or ambiguities between this policy and other University Naming Rights policies, this policy shall take precedence.
Collegiate Naming Rights Examples
Alaska Airlines Signature Partnership Offering Overview

Facility Logo Integration – Cal Berkeley: Kabam Field at California Memorial Stadium
Alaska Airlines Signature Partnership Offering Overview

Facility Logo Integration – Illinois: State Farm Center
Alaska Airlines Signature Partnership Offering Overview

Facility Logo Integration – Minnesota: TCF Bank Stadium
Alaska Airlines Signature Partnership
Offering Overview
Alaska Airlines Signature Partnership Offering Overview

Husky Stadium Field Naming Rights – Field Logos
Alaska Airlines Signature Partnership Offering Overview

Husky Stadium Field Naming Rights – Roof Signage
Alaska Airlines Signature Partnership Offering Overview

Husky Stadium Field Naming Rights – Eastern Scoreboard Signage
Alaska Airlines Signature Partnership Offering Overview

Husky Stadium Field Naming Rights – Southwest Entrance
Alaska Airlines Signature Partnership Offering Overview

Husky Stadium Field Naming Rights – Northwest Entrance
Alaska Airlines Signature Partnership Offering Overview

Husky Stadium Field Naming Rights – West Entrance
Alaska Airlines Signature Partnership Offering Overview

Husky Stadium Field Naming Rights – North Entrance
Alaska Airlines Signature Partnership Offering Overview

Athletic Village Presenting Sponsor

> The University of Washington Athletic Village presenting sponsorship provides a unique opportunity for a partner to be incorporated into the campus and recognized as a proud supporter of all UW varsity teams and student athletics.
Alaska Airlines Signature Partnership Offering Overview

Athletic Village Presenting Sponsor

> The assets and rights included in the Athletic Village branding are outlined below:

- **Presenting Sponsor Entitlement**
  Right to include the partner’s name in the entitlement of the Athletic Village
  Name inclusion in media and promotions of both the partner and UW

- **Perimeter Signage Designation**
  Welcome entrance signage at six major points that define the Athletic Village

1. Mary Gates Memorial Drive
2. E1 Parking Lot – North Entrance
3. E1 Parking Lot – Montlake Entrance
4. Basketball Arena Entrance
5. Husky Stadium Entrance
6. Light Rail Entrance
Alaska Airlines Signature Partnership Offering Overview

Athletic Village Presenting Sponsor