

# ***Major League Baseball Sponsorship Proposal***

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## ***Executive Summary***

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A partnership between Major League Baseball and Under Armour Inc. would provide both organizations with an advantageous relationship. Major League Baseball provides itself on creating a unique and exciting product through each of the 32 major league teams. Major League Baseball continues to adapt and advance the two-century year old sport to maintain relevance with modern technology and current social issues. Under Armour Inc. is a company that manufactures state-of-the-art performance apparel with the most current technologies available. A partnership between Major League Baseball and Under Armour Inc. would mutually benefit both organizations. Major League Baseball would have the opportunity to provide players of all 32 major league teams first-class performance apparel and allow fans access to team-logoed Under Armour performance apparel. This agreement would allow Under Armour Inc. to have access to Major League Baseball and its affiliates; Minor League Baseball, Summer Baseball Leagues, etc. We sincerely hope that Under Armour Inc. will join Major League Baseball in continuing our quest for performance excellence.

### **Sponsor Compatibility:**

Compatibility between Major League Baseball and Under Armour Inc. can best be explained by observing the following areas:

Performance - Excellence on the field is Major League Baseball ultimate goal. Cooperation with Under Armour would enhance field performance, as well as allow Under Armour to further develop their performance apparel line.

Protection - Because of the vast number of dangers in the sport today, safety has become a top priority. Under Armour provides superior protective for pitchers, catchers, and fielders alike.

### **Increased Awareness and Exposure:**

An agreement between Under Armour Inc. and Major League Baseball will allow Under Armour access to baseball's Minor League System, Summer Collegiate Leagues, as well as various opportunities with Major League Baseball's youth leagues. Under Armour would become a key contributor for MLB's Reviving Baseball in Inner Cities (RBI) program, and become part of MLB's new "I Play" campaign. The target markets for both organizations demonstrate excellent compatibility between both organizations, with opportunities for both to benefit.



## *Letter of Transmittal*

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Kevin A. Plank  
Founder, Chief Executive Officer, and Chairman of the Board  
Under Armour, Inc. - Sponsorships and Community Relations  
1020 Hull Street  
Baltimore, MD 21230

Mr. Plank,

As a leader in sport and performance apparel and gear in North America, Under Armour Inc. has become a valuable asset to the sports industry in this country. Like Major League Baseball, Under Armour Inc. has a storied history and track-record for innovation and advancement, all while maintaining excellence in customer service. Major League Baseball would like to introduce to you, a proposal for Under Armour Inc. to sponsor Major League Baseball during the upcoming 2014 season.

Major League Baseball focuses as much attention to the on-field product as to the experience at the ballpark itself. Our position in the sports industry would allow unique access for Under Armour Inc. to be associated next to the faces of Major League Baseball; Bryce Harper - Washington Nationals, Mike Trout - Los Angeles Angels, Miguel Cabrera - Detroit Tigers, Derek Jeter - New York Yankees, and many others. Under Armour Inc. will also have the unique opportunity to be a part of the fan experience.

As a premier sponsor you will receive:

- Signage (outdoor, arena, and print)
- Event marketing
- Television advertising (network and local)
- Print media coverage (newspapers and articles)
- Internet coverage (Social Media: Facebook, Twitter, Instagram)
- Hospitality opportunities (tickets, dinners, corporate suites, merchandise discounts)
- Pre-/Post-game promotions
- In-game promotions (t-shirt toss, equipment giveaways)

Enclosed please find details of the sponsorship and participation opportunities for the 2014 season. Your involvement will make this year's season even more memorable.

We appreciate your consideration and will contact you soon via phone.

Sincerely,

Major League Baseball - Sponsorship Team  
New York City, New York



## ***Major League Baseball Description***

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Major League Baseball has been around since 1869 when the Cincinnati Red Stockings became the first professional baseball team. Today in the MLB, Major League Baseball is made up of two divisions, the American League and the National League. There are 15 teams in the American League and 15 teams in the National League. Each league is divided into three subdivisions- East, Central, and West. Five teams from each division advance to the postseason, which is a four game series. From there, the winner from both divisions then go on to play in the World Series. The World Series is a seven game series to determine the champion for that year. The World Series has been around since 1903. There are 162 games for each team in the regular season starting in April and ending in September.

Major League Baseball is also in charge of all of the Minor League Teams that are associated with a major league club. Also, the MLB is in charge of hiring and training umpires and negotiating contracts (Television, radio, labor, marketing). The commissioner is considered the chief executive for the MLB. Bud Selig has been the commissioner of Major League Baseball since 1992. The commissioner is determined by a vote of the owners of all 30 teams. MLB also has many executives, they include:

### **Contact Information**

#### Major League Baseball - Commissioner's Office

**Address:** 245 Park Avenue, 31st Floor  
New York, NY 10167  
**Phone:** 212-931-7800  
**Fax:** 212-949-5654

#### Office of Sponsorships and Affiliate Relations

**Address:** 75 Ninth Avenue  
New York, NY 10011  
**Phone:** 212-485-3444  
**Fax:** 212-485-3456

**Website:** [www.mlb.com/home](http://www.mlb.com/home)



### **Executives:**

Tim Brosnan.....Executive Vice President, Business  
Rob Manfred.....Executive Vice President, Economics & League Affairs  
Jonathan Mariner.....Executive Vice President and Chief Financial Officer  
John McHale Jr.....Executive Vice President, Administration & Chief Information Officer  
Joe Torre.....Executive Vice President of Baseball Operations  
Frank Robinson.....Executive Vice President of Baseball Development

### **Recent Facts**

2012 World Series Winner:.....San Francisco Giants def. Detroit Tigers, 4-0  
2012 AL MVP:.....Miguel Cabrera (Triple Crown Winner), Detroit Tigers  
2012 AL Cy Young Winner:.....David Price, Tampa Bay Rays  
2012 NL MVP:.....Buster Posey, San Francisco Giants  
2012 NL Cy Young Winner:.....RA Dickey, New York Mets



## *Major League Baseball History*

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**1869:** First Professional Baseball team - The Cincinnati Red Stocking were the first professional baseball team.

**February 2, 1876:** National League was created - The National League (NL) was established by William Hulbert and it started with eight teams.

**April 22, 1876:** The first professional baseball game was played in Philadelphia between the Philadelphia Athletics and the Boston baseball club.

**January 28, 1901:** American League was created - The American League (AL) was established by Ban Johnson and it started with eight teams.

**1903:** The start of the modern “World Series”.

**1933:** First All-Star Game - The first All-Star Game was held in Chicago at Comiskey Park between the New York Giants and the Philadelphia Athletics.

**April 15, 1947:** First African American to play professional baseball - Jackie Robinson was the first African American to play professional baseball.

**1960's:** Teams started to tear down their old stadiums and started to build multi-purpose stadiums - built stadiums that could host both baseball and football; the first indoor baseball stadium was built.

**1965:** Marked the beginning of the First-Year Player Draft. Rick Monday was the first player to be drafted in Major League Baseball.

**2006:** Steroid Testing - Bud Selig appointed George Mitchell to investigate performance-enhancing drugs in Major League Baseball.

**August 28, 2008:** Instant replay was implemented in MLB. Teams were able to use the instant replay to view whether a hit was a homerun or not.



## ***Under Armour Company Description***

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Under Armour Inc. is an American sports clothing and accessories company that offers a variety of options from performance sportswear to casual apparel. Globally headquartered in Baltimore, Maryland, Under Armour (UA) has 109 retail locations within the United States with 34 factory house location from Maine to California. Under Armour is rapidly expanding international development with offices in Amsterdam, Netherlands; Guangzhou, China; Hong Kong; and Toronto, Canada.

Along with being a leader in performance apparel, Under Armour is among the leaders in community outreach programs. UA has initiated programs such as *UA Power in Pink*, *UA FREEDOM*, *UA Green*, *UA Youth Movement*. Under Armour is also legacy partners with *The Boomer Esiason Foundation*, *The V Foundation*, and *Ronald McDonald House Charities*.



**Mission:** to make all athletes better through passion, design, and the relentless pursuit of innovation.

**Vision:** to empower athletes everywhere.

### **Contact Information:**

Under Armour, Inc. - Sponsorships and Community Relations

**Address:** 1020 Hull Street  
Baltimore, MD 21230

**Phone:** 1.888.7-Armour (1.888.727.6687)

**Webpage:** [www.underarmour.com](http://www.underarmour.com)





### **Executives:**

Kevin A. Plank.....Founder, Chief Executive Officer, Chairman of the Board  
Byron K. Adams Jr.....Chief Performance Officer  
Brad Dickson.....Chief Financial Officer  
Kip J. Fulks.....Chief Operating Officer  
James H. Hardy Jr.....Chief Supply Chain Officer  
Karl-Heinz Maurath.....President, International  
Matthew C. Mirchin.....Senior Vice President, Global Brand & Sports Marketing  
Adam Peake.....Senior Vice President of U.S. Sales  
Henry B. Stafford.....Senior Vice President of Apparel

### **Products:**

- Apparel
  - Men's
  - Women's
  - Kid's
- Footwear
  - Sport Specific
  - Casual
- Accessories
  - Backpacks
  - Headwear
- Gloves
- Sunglasses
- Watches
- Water Bottles
- Footballs and Basketball
- Protective Gear
  - Mouth Guards
  - Compression Sleeves
  - Knee and Elbow Pads
  - Catcher's Gear

### **Current MLB Athletes:**

Bryce Harper, Washington Nationals	Pablo Sandavol, San Francisco Giants
Ryan Zimmerman, Washington Nationals	Jose Reyes, Toronto Blue Jays
Ryan Howard, Philadelphia Phillies	Matt Wieters, Baltimore Orioles
Buster Posey, San Francisco Giants	



## ***Under Armour Company History***

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**1996:** Kevin Plank designs first Under Armour HeatGear® T-Shirt

**1997:** Under Armour introduces ColdGear® fabric and AllSeasonGear® line

**1998:** Moved to new headquarters and warehouse in Baltimore, MD

**1999:** Under Armour supplies product for film *Any Given Sunday*

**2001:** Relationships with NHL and Baltimore Marathon begin

**2002:** Headquarters moves to the Tide Point section of the historic Inner Harbor in Baltimore

**2003:** Protect this House® TV Commercials begin to air; Women's line is officially launched

**2004:** Boys' and Girls' lines are launched; Outdoor athletic line is launched

**2005:** Under Armour Golf is introduced; Signs first all-school exclusive rights deal with University of Maryland (Plank's alma mater)

**November 18:** Opens first day as a publicly traded company

**2006:** Click-Clack® campaign is launched, introducing footwear through its first line of football cleats

**2008:** Unveils full line of performance training athletic footwear; Additions of Ray Lewis, Lindsey Vonn, Georges St-Pierre, and Brandon Jennings to the Under Armour Elite Roster

**2010:** Michael Phelps and Tom Brady join UA Elite Roster; Opened European Headquarters in Amsterdam, Netherlands; Built first branded-retail store in Annapolis, MD

**End of 2010:** Surpassed \$1 billion in annual revenue



## ***Sponsorship Compatibility***

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Both Under Armour, Inc. and Major League Baseball are household names here in the United States. Unfortunately, Major League Baseball has seen a recent decline in popularity due to lack of appeal and lack of interest. Under Armour, Inc.; however, is one of the fast growing apparel companies in the world. Under Armour, Inc.'s recent success has presented a variety of opportunities for both Under Armour, Inc. and Major League Baseball. An agreement between the MLB and Under Armour, Inc. would allow Major League Baseball to reverse the recent trend of decline and restore its brand back in viewers. Under Armour, Inc. would benefit from the agreement by having exclusive apparel and accessory rights with the MLB, as well as expanding their brand to new horizons. Listed below are specific compatibilities illustrating why a sponsorship between Under Armour, Inc. and Major League Baseball would be mutually beneficial:

### **Performance**

Major League Baseball's goal is to provide fans of the game with world-class caliber baseball each time the teams step on the field. In order the athletes to achieve this goal, they require state-of-the-art apparel and equipment. Under Armour, Inc. is among the industry leaders in providing top-of-the-line sport performance apparel and equipment. With cooperation between both organizations, the level of play will increase on the field, and Under Armour will be able to further test their apparel and equipment.

### **Protection**

One of the primary concerns in all sports is safety. Currently, there are an average of .53 bats being broken per game. The MLB believes that every player, and coach, be fitted with the newest protective gear on the market. Under Armour, Inc. is a leader in manufacturing catcher's gear; catching is by far the most dangerous position on the field.

The most alarming statistic in baseball today is that nearly  $\frac{1}{3}$  of current MLB pitchers have had Tommy John surgery at some point in their career. Under Armour, Inc.'s line of compression apparel, specifically sleeves, will alleviate a lot of problems current pitchers are having by increasing blood flow, thus reducing swelling and decreasing scar tissue build up.



### **Sponsorship Congruency**

Strategic congruency is a vital part of any sponsorship package. Below is a key reason why an agreement between Major League Baseball and Under Armour Inc. would be mutually beneficial.

#### **Image Expansion**

Currently, Major League Baseball is trying to expand diversity in the sport. The MLB recently launch the "I Play" campaign that targets various racial and ethnic groups in an effort to increase diversity from youth leagues to the professional level. Although Under Armour, Inc. has corporate offices in Europe and Asia, the primary source of consumers is from the United States. By working in cooperation with Major League Baseball, both organizations will be able to expand vastly beyond the US borders and greatly expand brand awareness.



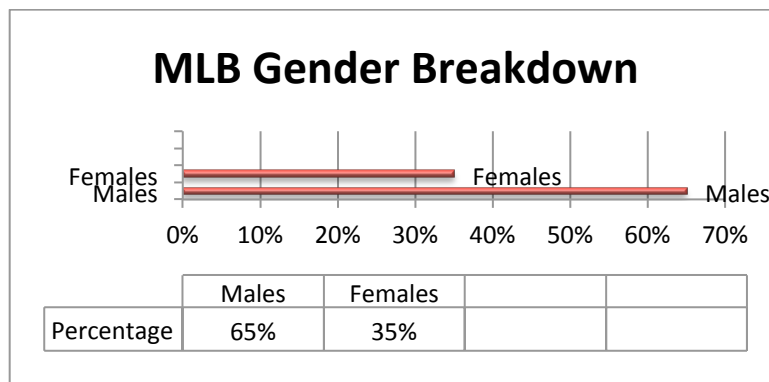
# Target Markets

## Major League Baseball

Major League Baseball has a very large and passionate fan base. The MLB has a very large target market but they mainly focuses on Caucasian males who has an income level above 50,000. Major League Baseball also targets families with at least one child because they enjoy going to the games and socializing.

### Demographics:

- Gender:



- Age: 18-49 years of age - primary target market for MLB
- Ethnicity: 86% Caucasian; 9% African American; 11% are Hispanic. (percentage of ethnic groups considered to be MLB fans)
- Income: 59% greater than \$75,000; 11% greater than \$150,000; 11% less than \$25,000.

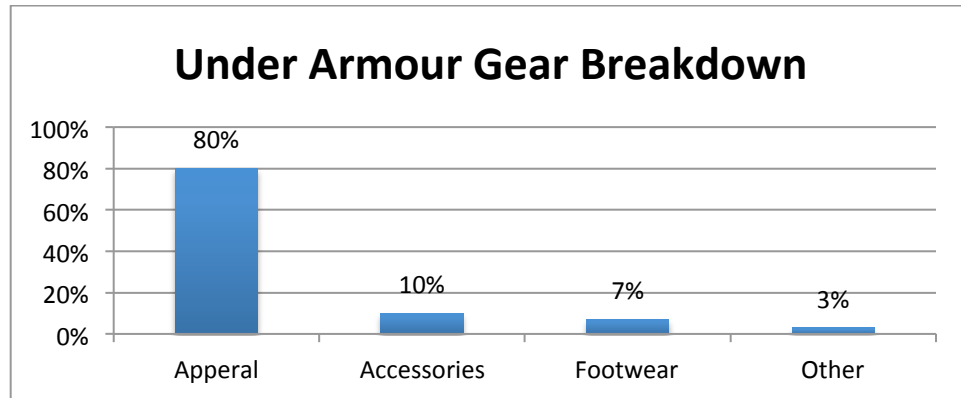
### Psychographics:

- Many MLB fans have at least one child in their household and have at least one college degree.
- Fans enjoy going to games to socialize and for the exciting plays.
- Fans are very passionate about their team.



## Under Armour, Inc.

Under Armour, Inc. sells high quality athletic apparel while focusing on differing seasonal options; HeatGear® to keep athletes dry during the summer, and ColdGear® to keep athletes warm during the winter. Under Armour focuses on marketing towards young adult males that are active, and have an income level approximately \$50,000 or more. Recently, UA has shifted its focus to increase female marketing for sports such as softball, soccer, field hockey, and volleyball. Unlike Nike and Adidas, Under Armour lacks a strong international presence; therefore, their primary target market falls within the United States.



### Demographics:

- Gender: previously male, with increased marketing towards females
- Age: 18 - 35 years old
- Ethnicity: Under Armour aims to equally target all ethnic groups
- Income: \$50,000+
- Under Armour strives to target athletes of all ages, gender, and ethnicity.
- Primary Sport: football; lacrosse; baseball

### Psychographic:

- People who are very active.
- People who have a high income.
- People who enjoy quality athletic gear



## Media Plan

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Media plays a huge role in the sports industry by advertising and marketing a product. In today's society social media, television, the internet, newspapers etc. are being used to market a company's brand. Becoming a sponsor for Major League Baseball would create greater opportunities for profit for Under Armour by exposing the brand to key target markets through various media outlets.

- **Television**

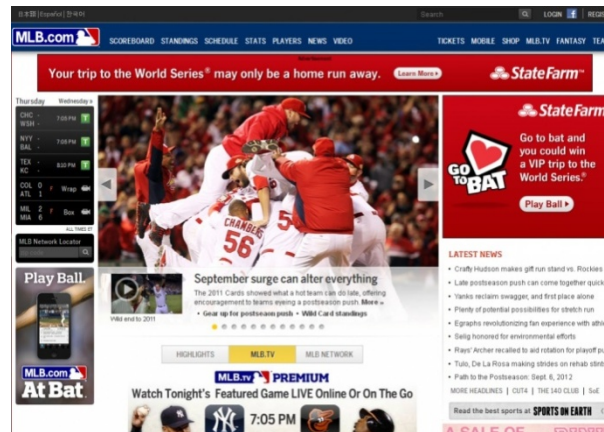
- Major League Baseball games are televised on local and national channels from the beginning of Spring Training starting in February through the playoffs in October. ESPN carries MLB games on Sunday, Monday, and Wednesday nights. Fox Sports also carries games for certain regions in which a team is located. There are also many other networks that carries every game of a specific team. For example WGN is a television station based out of Chicago and carries most Chicago Cubs and Chicago White Sox games. MASN is a station based out of Maryland and carries Washington Nationals and Baltimore Orioles games. Major League Baseball also has its own television channel (MLB network) which consists of games and talk shows year around.
- Each Major League Baseball event would display the Under Armour logo as a proud sponsor. The backdrop for commentators will display the Under Armour logo.
- Commercials would be displayed during game breaks that said "Under Armour official sponsor of the MLB. Wear what the pros wear."
- All players would wear Under Armour apparel.





- **Internet**

- Major League Baseball has its own webpage <http://mlb.mlb.com/home> which links to each individual teams webpage. The webpage will include the Under Armour logo as well as links to the Under Armour webpage.
- Each individual team website with also include a link to the Under Armour home page.



- **Social Media**

- Today with the all the technology that exist, social media has become one of the biggest forms of marketing. Major League Baseball also uses social media such as Twitter, Facebook, and Instagram. With the use of these social media outlets, Major League Baseball would promote and publish the Under Armour logo to the target market and lead fans to any possible Under Armour social media links.
  - Twitter feed would use hashtags to promote the Under Armour brand.





- **Radio**

- Major League Baseball is also broadcasted on radio stations throughout the country. In all the cities where a major league team is located there is a local radio station that carries the games.
- ESPN New York 98.7 FM
- ESPN Los Angeles 1000 AM
- ESPN Denver 102.3 FM



\*All media outlets would use creative slogans to promote the Under Armour brand.\*

**“Under Armour; It’s what the Pro’s wear”**



# *Promotional Plan*

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## **Full Season Promotion:**

- All teams will be equipped with Under Armour cleats, compression shorts, gloves and fitted undershirts
- Guaranteed airtime for Under Armour logo during media interviews with players. Logo will be displayed on microphones and backdrops.

## **In-Game Promotion:**

- T-Shirt Toss: During every regular season game the MLB will do a T-Shirt toss during the 7<sup>th</sup> inning stretch featuring the Under Armour logo alongside the home team's logo.
- Every guest brought in to throw the first pitch of an MLB regular season game will receive an MLB jersey with the Under Armour logo on it, and will wear it during the first pitch ceremony.
- Under Armour social media promotion: The first ten (10) people to post pictures of themselves wearing Under Armour gear once the first inning is completed during a regular season game, will receive \$25 gift cards to use on Under Armour apparel.
- Every coach that brings their Little League team to an MLB regular season game will receive a customized Under Armour baseball bag
- Under Armour logo is guaranteed a minimum of five (5) non consecutive minutes on the jumbotron prior to the team introductions and national anthem.

## **Post-Game Promotion:**

- All microphones used by sideline reports and in the interview rooms will display the Under Armour logo



# ***Hospitality***

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The Major League Baseball program takes special pride in their sponsors and likes to accommodate them with the best hospitality for multiple events throughout Spring Training, the regular season, and postseason.

## **Benefits for Under Armour:**

### Spring Training

- Practice Sessions: MLB will provide entry to ten (10) spring training games located in Arizona and Florida.
- Autograph Sessions: MLB will also provide a private autograph session for Under Armour after designated spring training games in both Arizona and Florida.

### Regular Season

Corporate Sponsor Suites: Under Armour will be given exclusive access to the business sponsor suites at any twenty (20) MLB regular season games they choose to go to. Under Armour will receive two suites, which are located on the club level of every ballpark. The amenities include:

- Two flat screen television sets
- Private Restroom
- Complimentary meals and beverages off of the customized menu
- Concierge service to assist any needs pertaining to the specific location/city members are visiting
- VIP parking and entrance into ballpark
- Couches and lounge chairs to feel completely relaxed

### Postseason

- Under Armour will receive access to one suite at any one (1) game of each round of the postseason, including the World Series.
- Under Armour will also receive exclusive rights to purchase any additional suites during any round of the postseason.





#### Corporate Sponsors Dinner

- Every year, the MLB association holds a dinner at the beginning of each MLB year for all of the organizations corporate sponsors.
- The private dinner will be held at renowned steakhouse The Palm (New York, New York) with exclusive chef specialties for the night.
- Dinner will include an open full service bar
- Private car service to/from hotel before and after dinner

#### Other Hospitality Benefits

- Airline Discounts: Access to the Executive lounges of United and U.S. Airways airlines for thirty Under Armour employees at multiple major city airports.
- Hotel Discounts: MLB Partners receive substantial discounts and amenities at the following hotels:
  - Embassy Suites
  - Hilton-Garden
  - Marriott



## *Signage and Visibility*

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Signage of the Under Armour logo would be displayed in many areas that Major League Baseball promotes. Areas the Under Armour logo would be displayed include:

- Billboards in and within a 25 miles radius around cities with Major League Teams.
- Jumbotron and Scoreboard Tracks (along Upper Deck)
- On ticket stubs to games.
- On the backstop behind home plate so that the television viewers could see.
- Outfield walls.



\*Signage will incorporate creative slogans to promote the Under Armour brand.\*

**“Under Armour; It’s what the Pro’s wear”**



## *Impact Measure*

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Major League Baseball understands that Under Armour Inc. will need a detailed report of how well their sponsorship impacted their business through the use of advertisement during the Major League Baseball Season. Our team has come up with several avenues in which measurement of impact will take place. We welcome Under Armour Inc. to engage in their own measurements as well.

### **Measuring Sales**

- Our team will conduct a sales and revenue analysis prior, during, after the regular season, and after the playoffs to gain an understanding about the impact of Under Armour with Major League Baseball. Sales figures will be compared to previous seasons.

### **Measuring Promotional Material**

- Major League Baseball will record the number of giveaways at each game; t-shirt toss (5 per game), number of pictures submitted, and number of baseball bags given away.

*\*Refer to In-game promotion of Promotional Plan section\**

### **Measuring Media Exposure**

- One member from each team's Media team will be responsible for recording the number of times and total time the Under Armour logo is displayed on television. (scoreboards and stadium walls only)
- One member from each team's Media team will be responsible for recording number of times an Under Armour Inc. commercial is aired over local and national radio.
- One member from each team's Media team will be responsible for monitoring social media (Facebook, Twitter, and Instagram) activity, primarily through the use of hashtags, as it relates to Major League Baseball and Under Armour.



## ***Sponsorship Package***

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### **Athlete Apparel**

Under Armour Fitted Under Shirts	\$100,000
Under Armour Jerseys	\$70,000
Under Armour Baseball Bottoms	\$64,000
Under Armour Cleats	\$80,000
Under Armour Accessories (Compression sleeves, wrist bands, etc.)	\$35,000
Under Armour Catcher's Gear	\$16,800

<b>Total</b>	<b>\$365,800</b>
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### **Media Coverage and Exposure**

Local Television Coverage	~\$25,000 per team
National Media Coverage	~\$200,000
Newspaper Advertisements	~\$75,000 per team
Website Ads	
MLB.com	\$20,000
ESPN.com	\$25,000
Team Sites (30)	\$5,000 per team
Social Media Advertisements	\$7,500

<b>Total</b>	<b>\$3,402,500</b>
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### **Under Armour/MLB Signage**

Billboards (at least 4 per city)	\$1,500 per billboard
Exterior Stadium Banners	\$2,500
Scoreboard Ads (Jumbotron and Scoreboard tracks)	\$1,000
Stadium Concourse Ads	\$3,500
Outfield Walls	\$5,000 per logo
Home-Plate Backdrop Walls	\$4,500

<b>Total</b>	<b>\$675,000</b>
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### **Hospitality Value**

Spring Training Games (10)	\$45 per game
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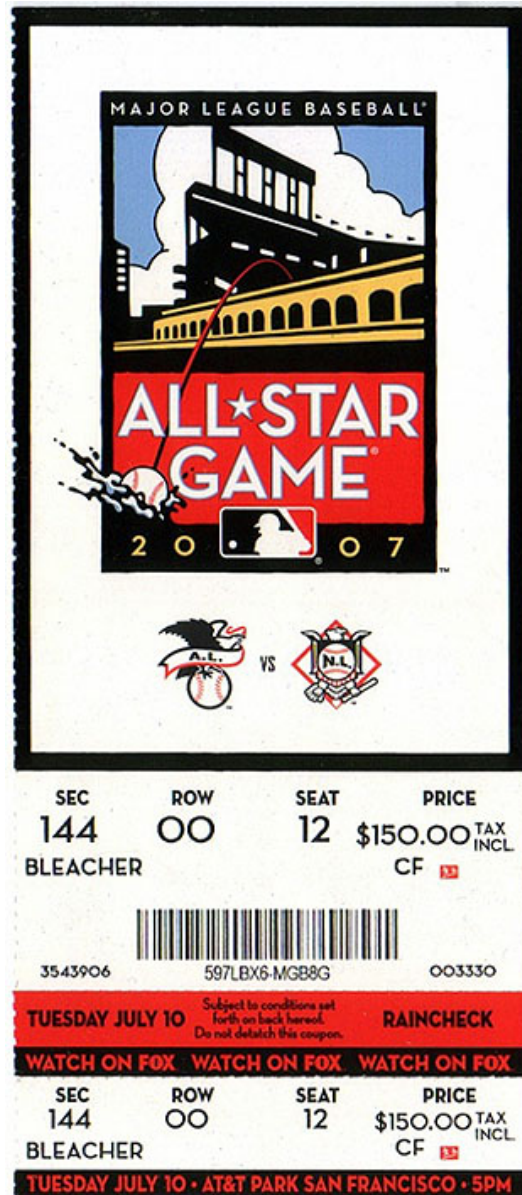
Autograph Sessions (10)	\$25 per session
Regular Season Games (20)	\$125 per game
Postseason Games (5)	\$350 per game
Corporate Sponsors Suite	\$34,000
Corporate Sponsors Dinner	\$3,200
Airline Discounts	\$2,200
Hotel Discounts	\$1,750
<b>Total</b>	<b>\$46,100</b>
<b>Total Sponsorship Package Value</b>	<b>\$4,489,400</b>





## Addendum

### A. 2007 All-Star Game Ticket



*B. 2013 All-Star Game Program*



*C. Under Armour Premium Seating (Yankee Stadium)*



*D. Under Armour Logo on MLB players gear*



*E. Co-Sponsors*



**Bank of America**



**EMC<sup>2</sup>**  
where information lives







