8.2 LEEDERVILLE OVAL SPONSORSHIP AND NAMING RIGHTS

Attachments:

- 1. Leederville Oval Naming Rights Sponsorship Proposal Document (2022)
- 2. 21 Mar 2023 Playbookx Letter
- 3. Leederville Oval Map of Leased Areas
- 4. Sponsorship Agreement dated 27 July 2006 Medibank Private Limited Confidential

RECOMMENDATION:

That Council:

- APPROVES giving public notice and inviting submissions under the provisions of section 3.58(3) of the *Local Government Act 1995* for the proposal by Sullivan Logistics for sponsorship and naming rights of Leederville Oval located at No. 246 (Lot 500) Vincent Street, Leederville;
- 2. If no submissions are received as a result of public notice period in Recommendation 1. above, AUTHORISES the:
 - 2.1 Chief Executive Officer to:
 - 2.1.1 prepare the relevant legal agreement to include the matters detailed in this report;
 - 2.1.2 negotiate the terms of the legal agreement;
 - 2.1.3 execute all documentation; and
 - 2.1.4 comply with all applicable legislation as required to give effect to the proposal in Recommendation 1; and
 - 2.2 Mayor and Chief Executive Officer to affix the common seal and execute the legal agreement in accordance with the Execution of Documents Policy; and
- 3. NOTES that if any submissions are received as a result of the public notice period in Recommendation 1. above, the Chief Executive Officer will provide the submissions to Council for consideration and determination whether to proceed with the proposal.

PURPOSE OF REPORT:

To consider a proposal from Sullivan Logistics for the sponsorship and naming rights of Leederville Oval (Oval) located at No. 246 (Lot 500) Vincent St, Leederville (Land).

BACKGROUND:

Land

The Land is reserved Parks and Recreation under the Metropolitan Region Scheme and is Crown land. Pursuant to a vesting order dated 23 September 2009, the City is vested with the care control and management of the Land for Office and Recreation purposes. The City has the power to lease the Land for any term not exceeding 30 years subject to the prior written approval of the Minister for Lands.

The City has a lease with the East Perth Football Club and the Subiaco Football Club (the Clubs) for the period from 1 November 2004 to 31 October 2025. At the end of the current lease period, the Clubs have a right to exercise the option to extend the lease for a further nine years. The leases are for portions of the building shown in the Leederville Oval map attached as **Attachment 3**.

Previous sponsorship and naming rights

Council at its meeting <u>14 February 2006</u> resolved to enter into an agreement with Medibank Private for the Naming Rights for Leederville Oval. A further decision to extend the contract for a five year period was approved by Council <u>22 November 2011</u>. Naming Rights with Medibank Private ended in 2016. The City and clubs have since tried, unsuccessfully to attract sponsors.

A copy of the Sponsorship Agreement dated 27 July 2006 entered into with Medibank which governed the sponsorship term from 2006 until 2016 is attached for information only as **Attachment 4**.

Leederville Oval Naming Rights Sponsorship document (Sponsorship Document)

The Sponsorship Document in **Attachment 1** was prepared in 2022 and was distributed to the City's key contacts through previous sponsorships and by the Clubs.

The Sponsorship Document sets out the objectives of sponsorship as follows:

"Successful sponsors will be expected to:

- A. Enter into a formal agreement with the City, East Perth and Subiaco Football Clubs;
- B. Provide seven (7) signs of various dimensions at key areas around the site. (The City of Vincent will cover installation of all signage, but the production/printing of all signage will be at the Sponsor's cost);
- C. Maintain signage in accordance with agreed standards, utilise performance indicators to ensure the standards are met;
 - a. In accordance with industry practice, Leederville Oval signage which, through significant or repetitive breakdown, is deemed to have reached its normal useful operating life capacity, will be replaced by the sponsor.
 - b. Repairs and maintenance of the all signage and associated equipment and services will be at the cost of the sponsor.
- D. Not alter the signage or premises without prior written approval of the City;
- E. Not sell or re-assign the naming rights without the approval of the City;
- F. Hold appropriate Public Liability Insurance to the value of \$20,000,000; and
- G. Comply with all statutory requirements.

The sponsorship fee for subsequent years shall be adjusted with annual CPI increase.

Sponsorship arrangements from the following organisations will not be accepted:

- Tobacco companies
- Alcohol companies
- Gambling companies
- Political Parties

Investment

City of Vincent is seeking an investment of \$120,000 per annum on a two year deal plus CPI with a third year option."

DETAILS:

Naming rights and sponsorship proposal

The Clubs engaged Playbookx as their agent to source suitable sponsors in line with the objectives of the Sponsorship Document. The City has, in principle, agreed to share the costs of Playbookx's engagement in this process. Playbookx's commission is 20 per cent of the total sponsorship fee received.

The City received a proposal from Sullivan Logistics (through Playbookx) in March 2023. A copy of the letter is attached as **Attachment 2**.

Sullivan Logistics confirms their support to form a beneficial partnership with the City and the Clubs and, their ability to align with the sponsorship objectives and meet the investment criteria set out in the Sponsorship Document.

Legal Agreement

Administration will ensure that the key sponsorship terms below will form the basis of the legal agreement:

1	Sponsorship fee	\$120,000 plus CPI		
2	Term	3 years plus 1 x 2 year option		
3	Public Liability Insurance	\$20 million		
4	Signage	Subject to City's current policy, production and printing at sponsor's costs.		
		Repair and maintenance at sponsor's costs.Installation at City's costs.		

In addition, terms in the Medibank Sponsorship Agreement which are beneficial to the City will be advised to the City's lawyers for incorporation into the legal agreement.

The proponent, EPFC and SFC have agreed in principle that the sponsorship agreement could commence from 1 July 2023 subject to Council's consideration and approval.

Lease

The financial contribution from the successful proponent will be shared equally (1/3 share) amongst the City and the Clubs.

Clause 6.16(c) of the respective leases with the Clubs states that:

"... any monies received from the naming rights arrangements will be shared equally by the Town, EPFC and SFC."

Section 3.58(3) Local Government Act 1995 (LGA)

Administration has determined that the most fair and equitable process to adopt for the proposed sponsorship (disposal of an intangible asset – naming rights) is to advertise the proposal pursuant to s3.58 of LGA.

The reasons are:

- The tender for naming rights process undertaken in 2017 received no submissions.
- The efforts by the City and the Clubs since expiry of the last sponsorship in 2016 revealed little or no appetite for sponsorship of naming rights for the Oval.

This process accords with the objects of the local government set out in section 1.3(2) of LGA which is intended to result in:

- a) better decision-making by local governments;
- b) greater community participation in the decisions and affairs of local governments; and
- c) greater accountability of local governments to their communities.

The public notice advertisement pursuant to s3.58 of LGA will offer any interested party, through the submission period, the opportunity to provide their submissions for sponsorship.

Decision implications

If Council supports the recommendation to accept the naming rights sponsorship from Sullivan Logistics, the City, if no submissions are received, will proceed to prepare the legal agreement which will be negotiated by the CEO as appropriate. The agreement will include the key sponsorship terms.

If Council does not support the recommendation for the proposal to be advertised pursuant to s3.58 of LGA, Council has the opportunity to choose an alternative procurement process for example, an Expression of Interest or Tender process, noting that the previous Tender process received no submissions.

CONSULTATION/ADVERTISING:

In accordance with section 3.58(3) of the *Local Government Act 1995* (Act) local public notice of the proposed sponsorship would be provided for a period of at least two weeks.

Local public notice would be provided in the following ways:

- notice in the City's local newspaper;
- public notice on the City Administration and Civic Centre, Library and Local History Centre notice boards; and
- notices on the City's website, and social media platforms.

LEGAL/POLICY:

Local Government Act 1995

Section 3.58(3) of Local Government Act 1995 – Disposing of Property:

- (3) A local government can dispose of property other than under subsection (2) if, before agreeing to dispose of the property
 - (a) it gives local public notice of the proposed
 - (b) disposition
 - i. describing the property concerned; and
 - ii. giving details of the proposed disposition; and
 - iii. inviting submissions to be made to the local government before a date to be specified in the notice, being a date not less than 2 weeks after the notice is first given; and

it considers any submissions made to it before the date specified in the notice and, if its decision is made by the council or a committee, the decision and the reasons for it are recorded in the minutes of the meeting at which the decision was made.

Football Club Leases

Clause 6.16 of Lease – Sponsorship and naming rights:

The lease with the Clubs allows the City to:

- enter into sponsorship agreements in respect of the Land;
- display signage and advertising materials as it deems fit; and
- o name the Oval or any building on the Land as it sees fit.

RISK MANAGEMENT IMPLICATIONS

Low: It is low risk for Council to enter into a sponsorship arrangement with the proponent.

STRATEGIC IMPLICATIONS:

This is in keeping with the City's Strategic Community Plan 2018-2028:

Connected Community

Our community facilities and spaces are well known and well used.

Thriving Places

Our physical assets are efficiently and effectively managed and maintained.

Innovative and Accountable

Our resources and assets are planned and managed in an efficient and sustainable manner.

PUBLIC HEALTH IMPLICATIONS:

This does not contribute to any public health outcomes in the City's Public Health Plan 2020-2025.

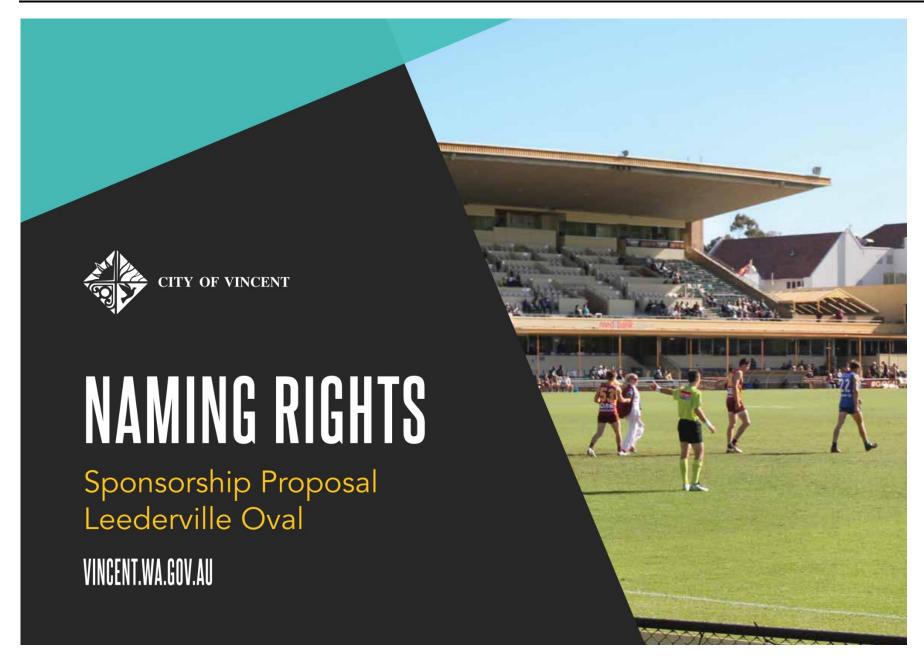
FINANCIAL/BUDGET IMPLICATIONS:

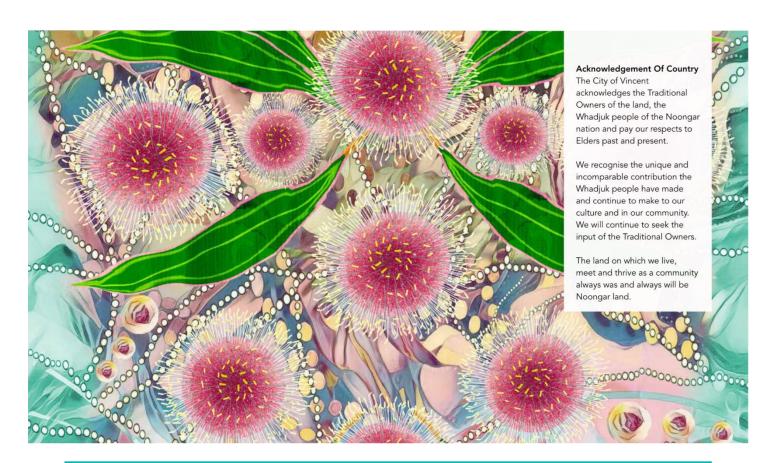
Projected financial annual income to the City based on City's 1/3 share of the annual amount:

Year 1: \$40,000 less 1/3 of agent's commission

Year 2: \$40,000 + CPI less 1/3 of agent's commission Year 3: \$40,000 + CPI less 1/3 of agent's commission.

Income received from any potential naming deal would be placed in the Leederville Oval reserve account which exists to collects funds for the use of works associated with the maintenance, repairs, upgrade and replacement of Leederville Oval buildings, fixtures, fittings and associated land.





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MAYORS MESSAGE

Leederville Oval holds a special place in the hearts of the Vincent community and WAFL fans around Western Australia. It is home ground to both Subiaco Football Club and East Perth Football Club and their many passionate supporters.

At the City, we want to ensure that the Leederville Oval is matched with a sponsor that supports our vision of a sustainable and caring community built with vibrancy and diversity.

This is a fantastic opportunity for a community minded organisation like yourself to become a naming rights sponsor of the oval and enjoy the multiple benefits this brings in increased awareness of your company and brand.

The City and our community look forward to welcoming you on board as Naming Partner of our premier sports oval complex.

Jun ()

Emma Cole

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NAMING RIGHTS SPONSORSHIP PROPOSAL | 5

Leederville Oval has an extensive football legacy being home to many historic games and legends of the game.

ABOUT THE OVAL:



Centrally located, minutes from the CBD and within the vibrant Leederville Town Centre



Between 50,000 – 100,000 visitors a year for WAFL games as well as community events



Can accommodate over 9,000 fans



Home to both Subiaco Football Club and East Perth Football Club



Corporate hospitality areas located inside and close to the oval.



HISTORY

In 1915 Leederville Oval was developed and a timber and brick grandstand built.

It opened as the home for West Perth Football Club on 24 July 1915. Works commenced in 1958 to make the stadium a suitable venue for track and field events for the 1962 British Empire and Commonwealth Games. This involved the demolition of the timber part of the former stand and shrouding the brick base with the current structure.

The West Perth Football Club vacated the premises in 1994. In 2003 the East Perth Football Club relocated their headquarters to Leederville Oval, to be joined in 2004 by the Subiaco Football Club.

Leederville Oval is arguably the home of Football in Western Australia

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A UNIQUE OPPORTUNITY

City Of Vincent, East Perth and Subiaco Football Club welcome the opportunity to partner with your company. Between 50,000 - 100,000 people visit Leederville Oval each year not only to watch football but also to be involved in various community and sporting events.

Your name will be seen and heard by hundreds of thousands of people as they visit the grounds, watch WAFL football on national television or via the AFL app, listen to radio broadcasts or see the name of the oval mentioned on traditional and digital media.

In 2022 more WAFL games will be seen by West Australians and attract a new national audience. 26 matches broadcast live and free on Channel 7, every WAFL Final, plus the Colts and Women's League Grand Finals. WAFL League matches not shown on Channel 7 will be exclusively live and free for viewers via the AFL mobile app or AFL on demand service. This means there will be over 50 games played at Leederville Oval, either broadcasted or livestreamed online throughout the WAFL and WAFL Women's season.

The benefits of being associated with Western Australian football have been proven over the years. Many companies and corporations have used sport to establish brand awareness, forge bonds with their target markets and develop community engagement opportunities.

As Leederville Oval Naming Rights partner you will receive these opportunities and more.

WA FOOTBALL IN OUR COMMUNITY

The West Australian Football Commission has undertaken the most comprehensive study ever into the economic and social benefits of local football to the WA community. Completed by ACIL Allen, the report assesses the social and economic impact of club-based football in WA and provides a measurement tool that will enable the WAFC to track social return on investment (SROI) on an annual basis.

In an industry-first, the report uses club-based participation as the key metric to quantify the social returns of the entire industry, which identifies that the broad range of community benefits from WA football include:

- Every dollar spent by club-based football in WA creates two dollars of economic activity.
- WA footy generates over \$220 million in economic benefits to WA.
- \$110 million is spent directly, including almost \$16 million on supplies and services.
- For every person employed by football directly, another job is created in the community.

Club-based footy generates an additional \$225 million in social benefits to the community each year.

The research shows that being part of a footy club gives participants the equivalent of \$3,000 worth of social benefits in areas such as mental and physical health and personal wellbeing.

Football is a sport that connects communities like no other, with 22 players, their families, friends and supporters interacting as part of the same team each week.

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MEDIA & AUDIENCE EXPOSURE

Print and Digital
The West Australian is a significant contributor to the WAFL's presence in the WA sporting landscape. Subiaco and East Perth regularly feature in The West Australian's Friday Pre-Game and Monday Wrap-Up lift outs as well as preview articles in weekend papers and the digital platforms including Perth Now.

Channel 7 has expanded their coverage of WAFL games with a new broadcast deal in 2022. All WAFL games will also be available through the AFL app. Cumulative broadcast figures from the 23 games broadcast in 2019 was 887,180, in particular three games were broadcast from Leederville oval, which provided significant coverage of the stadium. Through commentary and visual identification, your organisation would receive significant coverage. In 2022 there will be 26 live, free to air broadcasts throughout the season.

All 72 WAFL League matches not shown on Channel 7 will be exclusively live and free for viewers via the AFL $^{\circ}$ app or AFL on demand service. This is the first time in the history of the WAFL that spectators can watch every

With matches streamed exclusively live and free for viewers via the AFL app and AFL on demand service WA football and your organisation will be exposed to audiences across the country. With Leederville Oval being co-tenanted, your organisation will receive twice the number of games of any other WAFL Oval.

Audience Exposure during the WAFL Season Subiaco average home game viewership for the 2022 season was 24,259 in season and 72,994 during the finals on Channel 7. Subiaco's average live streamed audience was 15,150. East Perth's average home game viewership for the 2021 season was approximately 28,018 on channel and 12,846 live streamed.

There is radio coverage of every game with five separate radio stations covering the WAFL competition including;

- Triple M
- Nova 937
- 6PR
- ABC Grandstand
- SportFM
- SEN

Audience Exposure during the WAFL Season

Subiaco average home game attendance for the 2019 season was approximately 19,600. East Perth average home game attendance for the 2019 season was approximately 24,200.

NAMING RIGHTS SPONSORSHIP PROPOSAL | 11 10 | CITY OF VINCENT

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SOCIAL & DIGITAL EXPOSURE

	Subiaco Football Club	East Perth Football Club	City of Vincent
F	9,928 Facebook followers	12,417 Facebook followers	12,275 Facebook followers
	7,777 Instagram followers (number 1 in WAFL)	5,465 Instagram followers	4,000 Instagram followers
	4,741 Ave. Social Post Reach	3,965 Ave. Social Post Reach	600 Ave. Social Post Reach
(®_®)	37,900 Weekly Social Reach	30,003 Weekly Social Reach	5,979 Weekly Social Reach
	3,948 Subiaco Football Club members.	2,982 East Perth Football Club members.	

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CLUB OPPORTUNITIES

(in season)

Your name would be promoted at every WAFL match played at Leederville Oval.

In undertaking the Naming Rights opportunity for Leederville Oval, East Perth and Subiaco Football Clubs would consider your company as a Community partner. Whereby you would get recognition as supporting the Clubs;

- Family Fun Days
- Holiday Clinics
- Community Days

Match day activations and community engagement activities for selected game days include but are not limited to;

- Tossing the coin pre-match
- Naming rights of half-time activity
- Naming Rights of digital assets or campaigns (if appropriate)
- Match Day Giveaways
- Opportunity to present to corporate partners

In addition, each WAFL Club is also offering the opportunity to host one exclusive Match Day partnership* including but not limited to:

- Hospitality for 8 people including
- Tickets to our President's Function
- Reserved seating in an open-air box
- 2 x Reserved parking bays at Leederville Oval on Match Days
- Recognition as Match Day sponsor in all communications about the match
- Announcements over the ground PA system recognising you as Match Day Sponsor
- Inner Sanctum experiences, includes watching the boys warm up pre-game, and sing the song post-game (pending a victory)

Should the naming rights partnership go ahead, the Clubs would work directly with you to administer activations to suit your objectives on the allocated match day/s.

AFL & AFLW

With the development of the Leederville Oval Master Plan and Lighting upgrades coming to the oval, the City of Vincent we will be working closely with the AFL to commit to hosting more AFLW games into the future as well as Pre-season AFL games.

Opportunities outside the season

- Signage on oval seen by oval hirers and users
- One exclusive use of oval each year Xmas party or similar event

All signage will remain in place for the duration of the contract at the oval and viewed by visitors for nonsporting events and foot traffic passing by.

City of Vincent will work with your company to provide new and updated signage around the grounds.

Including;

- Grand stand
- Perimeter oval

Entry Gates

Outer fence





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SPONSOR OBLIGATIONS

Successful sponsors will be expected to:

- A. Enter into a formal agreement with the City, East Perth and Subiaco Football Clubs;
- B. Provide seven (7) signs of various dimensions at key areas around the site. (The City of Vincent will cover installation of all signage, but the production/printing of all signage will be at the Sponsors cost;
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- D. Not alter the signage or premises without prior written approval of the City;
 E. Not sell or re-assign the naming rights without the approval of the City;
 F. Hold appropriate Public Liability Insurance to the value of \$20,000,000;
- G. Comply with all statutory requirements.

The sponsorship fee for subsequent years shall be adjusted with annual CPI increase.

Sponsorship arrangements from the following organisations will not be accepted:

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- Alcohol companies
- Gambling companiesPolitical Parties

City of Vincent are seeking an investment of \$120,000 per annum on a two year deal plus CPI with a third year option.



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9 MAY 2023



ABOUT EAST PERTH Football Club

East Perth Football Club was formed in 1906 and has had over 1,400 players during its 111-year history.

Former players include all-time greats Graham 'Polly' Farmer, Jack Sheedy, Ted Kilmurray, Syd Jackson, Barry Cable, Phil Matson, Mal Brown, Ross Glendinning and Chris Judd.

East Perth has competed in the WAFL competition since 1906 and has won 17 League Premierships and produced 18 Sandover Medallists.

ABOUT SUBIACO Football club

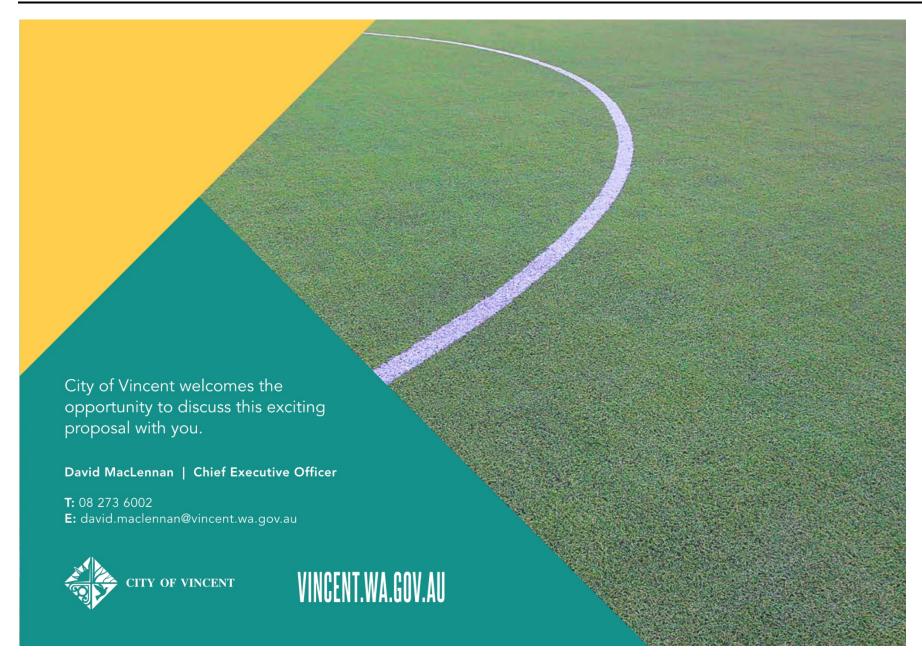
Subiaco Football Club was incorporated in 1896. In 1901 Subiaco joined the WAFL competition and is now recognised as one of the state's most powerful clubs.

Some of the Club's most celebrated players include legends Haydn Bunton, Austin Robertson and Matt Priddis.

Subiaco has won 16 League premierships, with 7 Grand Final appearances since 2014 for 5 premierships: including an undefeated season in 2018 plus Reserves and Colts Premierships that season.

Subiaco has a strong women's football program with three teams competing across the three levels of competition; including the Subiaco women's league team that secured the minor premiership in the inaugural WAFLW season in 2019.

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21 March 2023

David MacLennan Chief Executive Officer City of Vincent

Via email - david.maclennan@vincent.wa.gov.au

Dear Mr MacLennan,

Re: Leederville Oval Naming Rights

I am writing on behalf of Sullivan Logistics to express their strong interest in securing the naming rights opportunity for Leederville Oval.

Sullivan Logistics is a proudly family-owned transport and logistics company that has been operating in Western Australia for 25 years. The company prides itself on supporting the local community and believe that this partnership would provide a valuable opportunity to further demonstrate their commitment to the community, the football clubs and those who utilise the facilities.

Sullivan's have proactively engaged with Subiaco and East Perth Football Clubs, who are both supportive of a prospective partnership, and would like to propose a mutually beneficial partnership that would involve a range of promotional and advertising opportunities including signage, branding, and promotional materials as outlined in your Naming Rights Proposal.

In return, Sullivan's would be pleased to provide financial support on similar terms as those outlined in the proposal, helping to ensure the Oval remains a vital and thriving community asset for many years to come.

Sullivan Logistics would be an ideal partner for the City of Vincent, Subiaco and East Perth Football Clubs in this endeavour, and welcome the opportunity to progress the possibility with you at your earliest convenience.

Thank you for your time and consideration, and we look forward to hearing from you soon.

Sincerely,

Scott Gooch CEO, Playbookx

CC: Peter Varris (COV), Peter Capes (SFC), Dean Turner (EPFC)

