

SPONSORSHIP POLICY

3.2

Preamble

1 Sponsorship (both Government and Corporate) is of utmost importance to Orienteering Australia (OA). Failure to achieve and maintain good levels of sponsorship and continually develop new sponsorships will inevitably lead to higher membership and event fees, and will make it difficult to sustain our junior and elite development programs (which are key factors in sustaining Government sponsorship).

2 Tighter processes for determining Government funding (and the movement in 2001 of the federal government away from funding some activities, eg staging of major events in Australia) and increased demands arising from annual World Championships in senior and junior foot orienteering and mountain bike orienteering means that higher levels of Corporate sponsorship are needed.

3 Up to early 1999 there was no systematic process in place which governed approaches to likely sponsors at any level, i.e. OA (national), State, Event, Club and Individual. Consequently there was the potential for conflict (eg. a State might seek sponsorship from a source that conflicts with a national sponsor - or vice versa). Clubs, State bodies and major event organisers might be unaware of certain restrictions and obligations relating to sponsorship (eg. the requirement to include advertisements in newsletters, programs, etc., to print logos on maps, to display signs or banners at certain events.).

4 This process was well supported by the *Sponsorship and Advertising Manual*, but it is directed primarily at the information and "hands on" skills needed to identify and approach likely sponsors. In addition, various decisions had been made by OA in the past regarding the processes that should be followed, and these needed to be brought together into a policy.

Aims

5 To maximise the securing of Government and Corporate sponsorship at all levels of orienteering (i.e. from individual clubs to national and international events).

6 To encourage and assist all levels of the organisation to actively seek sponsorship.

7 To optimise the "take up" of sponsorship arrangements at all levels.

8 To ensure that all obligations to sponsors are made known to all parties and are adhered to by all parties.

9 To have mechanisms in place to enable clashes in sponsorship to be avoided.

10 To have in place a code that achieves the above aims without imposing unnecessary restrictions that might inhibit any party (club, event organiser, etc.) in seeking and gaining and maintaining sponsorship.

Definitions

11 Sponsorships are not donations where a tangible reward is not expected.

12 Sponsorship is the provision of cash or services by the sponsor in return for an agreed set of benefits from orienteering. Marketing sponsorships are taken out by businesses for one reason only, to improve the "bottom line".

13 Sponsorship is defined as any negotiated form of assistance provided to OA, any of its member state bodies, or to any individual orienteer for the express purpose of facilitating the orienteering activities of the organisation or individual.

14 Sponsorship includes contracts with both corporate and government bodies.

15 Sponsorship can involve the donation of monies, goods, or "in kind" donations (of specified materials such as printed event pamphlets, fares, labour, etc.).

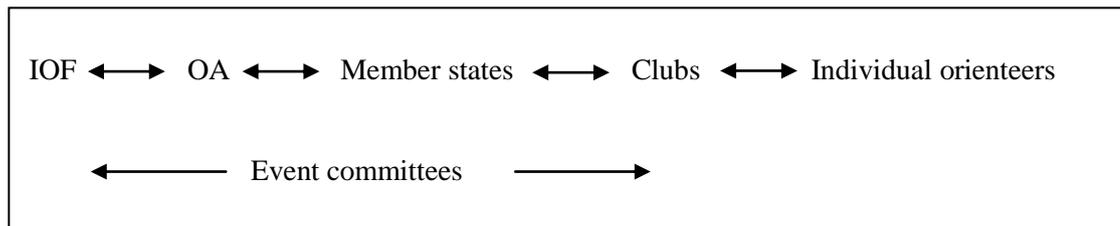
16 Sponsorship involves a contract of good will between the sponsor and the recipient. This contract should clearly specify the responsibilities of both parties: the details of the donation, and the conditions to be met by the recipient and defined evaluation criteria.

17 Note: Sponsorship may involve advertising, but for this policy does not include the direct sale of advertising space in publications (although many of the principles involved in securing sponsorship apply to the selling of advertising space).

18 A donation is a charitable gift, generally with no negotiated obligations. Sponsorships are commercial with an identifiable measurable return.

Levels of sponsorship

19 OA is obligated to fulfil sponsorship requirements negotiated by the IOF; the State associations those of OA (and IOF); clubs those of the State body and OA and IOF; and the individual orienteer is expected to fulfil obligations of sponsorship contracts by all the bodies (from their club through to the IOF). Sponsorships can also apply to specific events, which are usually organised under the direction of a club or state body (see diagram).



However, not all sponsorship contracts necessarily carry obligations beyond the immediate party or event for which they are negotiated. It is essential that conflict between sponsors be avoided.

Principal / Major / Minor

20 This description is qualitative in that it relates to the "size" of the sponsorship relative to the cost of operations (of the organisation / event / individual). The OA Sponsorship and OA Major Carnival Sponsorship guides maintained on the OA website provide examples of levels of sponsorship that can be adopted.

The Sponsorship Process

21 All sponsorships must be set out in writing, either as a formal contract or in letter form, and must clearly indicate all negotiated agreements between the sponsor and the orienteering organisation / individual, and the implications for all orienteering bodies affected by the sponsorship.

22 All sponsorships must be approved by the relevant State organisation/s and OA.

Note: the approval process must be a fast-track operation which ensures that all affected orienteering bodies are fully consulted and clashes of sponsors are avoided. All communications to State bodies shall be through the Councillors who shall be responsible for managing all matters relating to sponsorships referred to the State bodies.

(a) OA (i.e. national) sponsorships are the responsibility of the OA through the Director (Development) and the Manager (High Performance) and the State organisations through their Councillors. Prior to any national sponsorship being finalised, OA shall inform the State bodies through their Councillors of the sponsorship details (projected outcomes, obligations to be met by State bodies, event committees, etc.) and obtain their endorsement. The OA Director (Development) shall be kept informed of all details of OA sponsorships.

(b) State and event sponsorships shall be referred to the OA by the State Councillor (on behalf of the State body) for endorsement.

(c) Clubs and individual orienteers seeking sponsorships must apply to their State bodies for approval. Approved sponsorships should be forwarded to the OA for noting.

(d) Where the State and OA cannot agree on the acceptance of a sponsorship proposal, the matter shall be referred to the OA Board for further appraisal. Proposals which remain unresolved shall be referred to the OA AGM or Conference (whichever is the sooner).

(e) Where a new sponsorship has the potential to clash with an existing one, it will not normally be approved unless the "clash" is recognised and permitted within the contract of the new sponsorship.

23 OA shall maintain a register of all national and state sponsorships and must inform all state and event bodies of their obligations to the sponsorship contracts and of changes to any sponsorship agreements.

Typically, for sponsorship in which OA is ACTIVELY involved in securing the sponsorship, monies should be distributed according to the following:

Sponsor-related Costs
 Monies from sponsorship will be used to pay all sponsorship commitments. This includes reimbursement of:

- Banner production (when not supplied by sponsor)
- Event entry fees to sponsors
- Insertion of sponsored logo on team kit
- Normal advertising rates in carnival booklets, web-pages etc
- Normal advertising rates in The Australian Orienteer

It does not include:

- Production costs of entire programs, result booklets etc
- Production cost of map carrying sponsorship logo
- Other items to be decided upon by the OA Sponsorship Committee as required.

Excess Monies

- At least 50% to go to sponsored party (e.g. JWOC team)
- Other monies distributed at the discretion of the OA Board.
- All monies paid to party/state once complete fulfillment of sponsorship obligations are recorded (OA sponsorship acquittal and obligations form to be formulated).

For Major Carnivals Sponsorship (to be read in conjunction with OA Sponsorship Guide)

- Sponsorship monies (i.e. Day Sponsor and below) go directly to the organising state after appropriate costs have been paid, even if organised through Orienteering Australia
- The following Major Carnivals sponsorships are subject to an OA levy:
 - Major Carnivals Sponsor
 - Individual Carnival Sponsor

Excess Monies = Sponsor Sum – sponsor related costs
 Monies paid to State = Excess Monies – 40% OA levy

NB: If normal advertising rates are paid in the sponsor related costs (e.g. items such as advertising in the carnival program), a small profit can still be made from this.

For Orienteering Australia Principal Sponsorship

- Orienteering Australia will pay 15% of the total sponsorship monies to each of the major carnivals organising states in that year. This is in excess of meeting sponsor related costs not exceeding 10% of the total sponsorship sum.

States should aim to gain independent sponsors/grants as outlined in the Major Carnivals Sponsorship Guide with no Orienteering Australia levy.

24 OA will advise National Carnival organisers 24 months in advance of Naming Rights arrangements. States should advise the OA Board of National Events sponsorship intentions.

Exclusions

25 No sponsorship contract can be entered into with any company in relation to tobacco products or spirits (or such other products as OA might determine are not compatible with the sport of orienteering); see also Leaflet 1.23 for more information.

Disbursement of funds raised through national sponsorships

26 Where OA enters into national sponsorships, which generate income (eg. through commissions), the disbursement of funds shall be agreed before the sponsorship contract is finalised, and shall be reviewed annually.

27 Funds might be nominated (for example) for specific projects, for team travel, to states on a pro rata return for commissions received, to *The Australian Orienteer*, etc or a combination of these.

Maintenance and Development

28 The maintenance and development of this policy and code of practice shall be the responsibility of the Marketing and Sponsorship Committee, with the assistance of the Manager, High Performance

These responsibilities should include:

- Maintaining and further developing the OA Sponsorship manual and promoting its existence and use.
- Continuing to collect up-to-date research information on the socio-economic profiles, and spending and purchasing habits of members (both general and event -specific);
- Offering training to volunteers aimed at improving knowledge and skills appropriate to seeking sponsorships;
- Continuing to fund an OA position with responsibility for seeking (and managing) national sponsorships;
- Developing a list of potential companies / products from whom sponsorships could be sought.

Adopted
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