

OKLAHOMA CITY REDHAWKS BASEBALL

Caught in an Updraft

Prepared for:

LEXUS

Prepared by:

Oklahoma City RedHawks Baseball Team

June 22, 2011

Updraft Phenomenon

There is nothing like it.

When enthusiasm builds around big changes at a team, it is like turning on a bright light in a dark room. Fans then scramble to share in the new excitement.

These fans *need* to associate with the new team and its affiliations.

The companies that build an indelible bond with that team become the first to benefit in a wild geometric explosion.

It is like having the company pulled upwards in a fan updraft.



Signs of a Team in an Updraft

The signs of a team entering the updraft are clear. The three major signs are:

- 1. Quality and knowledgeable management
- 2. A relentless fixation on selling tickets
- 3. Innovation and entertainment that stirs the mind



Quality and Knowledgeable Management

Minor League Baseball is, above all, entertainment.

The new owner of the Oklahoma City RedHawks is Mandalay Baseball Properties, specialists in sports entertainment.

Mandalay owns and/or manages Minor League Baseball teams at all levels. Each team has been extraordinarily popular:

• Dayton Dragons: The Longest Professional Sports Sellout Streak Ever. Mandalay launched the Dayton Dragons in 2000. In 2011, the Dragons will break the all-time consecutive sellout streak in all of professional sports. The Dragons have sold out 774 straight games. They will pass the Portland Trail Blazers record of 814 games in July of 2011.

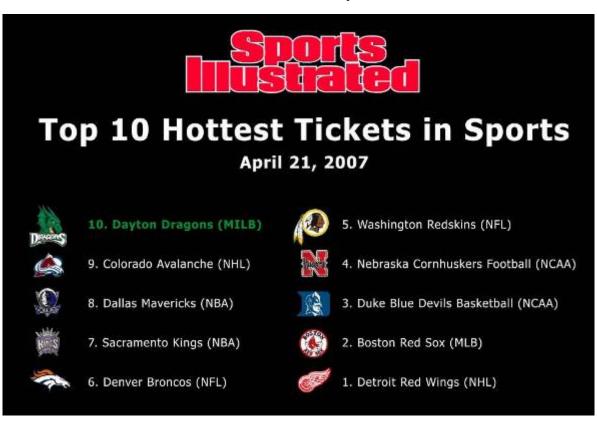
Longest Sell-Outs Streaks in Professional Sports History

Games	Team	League	Years
814	Portland Trail Blazers	National Basketball Association	1977-95
774	Dayton Dragons	Minor League Baseball	2000-10
662	Boston Celtics	National Basketball Association	1980-95
633	Boston Red Sox	Major League Baseball	2003-10
610	Chicago Bulls	National Basketball Association	1987-00



Fifth Third Field, home of the Dayton Dragons

Who would have imagined, that a Single-A baseball team would be named one of the hottest tickets in all of sports?



• #1 in Attendance in Double-A Baseball. The Frisco RoughRiders (north Dallas), a Texas Rangers affiliate, have led Double-A baseball in attendance for the past six seasons. The RoughRiders average more than 105% of capacity.



Dr Pepper Ballpark, home of the Frisco RoughRiders



• From Zero to Sold-Out? Mandalay, in partnership with the New York Yankees took over the Staten Island Yankees after the 2006 season. The team had only sold out *one game* in their existence, their first game ever at their new stadium in 2001. In four short years, Mandalay has taken them from zero sellouts to selling out three-fourths (3/4) of their games. Mandalay expects the sellouts to continue to grow in 2011 and 2012.



Richmond County Bank Ballpark, home of the Staten Island Yankees



• Last to First in the Carolina League. Mandalay was hired by the owner of the team in Winston-Salem to help turn around the franchise. We helped design a new ballpark, hire and train the staff and launch new ticket and sponsorship products. The turnaround worked as the Winston-Salem Dash opened their new ballpark in April 2010. The team went from last in the Carolina League in attendance in 2009 to first in 2010. The ballpark also won Ballpark of the Year from ballparks.com, beating out Major League parks like the Minnesota Twins' Target Field.



BB&T Ballpark, home of the Winston-Salem Dash



Mandalay's goal for the RedHawks is to make them the marquee franchise of Triple-A baseball. We want the RedHawks to be a community asset Oklahoma City can be proud of.

A Relentless Fixation on Ticket Sales

Mandalay Baseball Properties' #1 priority for the Oklahoma City RedHawks is selling tickets. We're pouring more resources in to selling tickets than the franchise has ever seen.

We want the ballpark to be *the* place to be during the spring and summer months in Oklahoma City.

Here is just a sample of what we're doing this sesaon:

- **Ticket Packages Fans Love.** For the first time ever in Oklahoma City, we launched smaller ticket packages. It used to be fans could only buy full season tickets. Now, we're offering ticket packages for half seasons, partial season and 7-game plans. They will fit anyone's budget.
- **Hired More Salespeople.** New ticket products won't matter if nobody knows about them. That's why we tripled the size of the ticketing department. We have salespeople calling on everyone: baseball fans, local businesses, schools, churches, youth sports leagues and civic organizations. We've reached out and talked to everyone who might be interested in going to a game.
- Free Food, Free Drinks, Free Gifts. Those ticket package buyers are get extra perks like guaranteed free gifts, pre-paid parking, free food and drinks, exchange programs and a personal account manager.
- Lower Ticket Prices. We lowered prices for ticket packages, groups and single game buyers on virtually all of the seats in the ballpark. We also eliminated a whole bunch of different price tiers to make it simpler to buy tickets.

TODAY

Tuesday, September 21, 2010 H: 86° L: 72°, Partly cloudy

TOP VIEWED

OU defender Ronnell Lewis wants to get on the field [view all]

SPORTS

MULTIMEDIA

WEATHER

OPINION

VOICES

Mandalay to announce purchase of RedHawks

Group promises to be fan-friendly when it takes over the Triple-A baseball franchise.

By Ryan Aber, Staff Writer, raber@opubco.com Published: September 14, 2010

About a year after Mandalay Baseball Properties started looking into buying the Oklahoma City RedHawks, the sale of the club is official.

The group will formally announce the sale Wednesday morning at AT&T Bricktown Ballpark. The announcement, which is open to the public, will begin at 11:45 a.m. in the ballpark's Diamond Lounge.

"We're super excited about coming into Oklahoma City," Mandalay Baseball executive vice president Eric Deutsch said. "Coming to work here in the short time we've been here and on the ground has been very enjoyable.

"From an outsider's perspective, this community seems so great, from an economic, government and philanthropic perspective. It's a big city but not too big and it's also a great place to raise a family."

Mandalay wants to become an integral part of the community, Deutsch said.

"We've got the title in ownership but this is the city's team," Deutsch said. "We're just the steward and custodian.

"We want to be involved in the community because it is the right thing to do and not just because we want to for P.R. or to sell tickets."

Mandalay will add the RedHawks to a stable that includes a pair of Double-A teams, the Frisco Roughriders and Erie SeaWolves, and a pair of Class A teams, the Dayton Dragons and Hagerstown Suns.

The group also operates several other teams, including the Yankees' Triple-A affiliate in Scranton/Wilkes-Barre, Pa.

The jewel of the group, though, is Dayton. The Dragons have sold out every game since moving to the Ohio town in 2000.

Dayton drew a Class A record 597,433 fans this season, breaking the previous record the team set in 2004. They set the record despite a 25-45 home record that included a 24-game home losing streak.

Dayton was fifth overall in attendance in all of affiliated minor league baseball.

"They do a good job between innings of entertaining the fans, with the entertainment they put on with the mascots and other game-day stuff," Dragons season-ticket holder Matt Smith said. "Young or old, its entertaining.

"People go there and eat their dinner and watch a few innings of baseball. It's a very social environment."

Dayton isn't a booming area, either. Before the ballpark was built, there wasn't much to attract people to downtown other than for work.

"Dayton starved for something to do downtown," Smith said. "Once that park opened up, they had a good rapport with the fans. The customer service and the ballpark was pretty top notch.

"It was just a good experience from the beginning."

Mandalay's other teams have performed well attendance-wise too. Frisco was No. 12 in minor league attendance this season. Dayton and Frisco were the only sub-Triple-A teams in the top 16.

Smith marveled at the attention he's gotten as a season-ticket holder. Deutsch said fans could expect the same level of attention here.

"We want our fans treated well at the parking lots, when they come through the gates, when they find their seats, at the food and beverage stands, everywhere," he said.

One of the first changes fans will see, Deutsch said, is the offering of a variety of season-ticket packages.

In Dayton, 400 fans own full-season tickets but most other seasonticket holders are split up with half-season, quarter-season or smaller

"We want to be something for everybody," Deutsch said, "Minor league baseball is affordable, and we want to be able to give everybody a package that works for them."

And Mandalay wants to be sure fans are entertained at the game, whether the team is winning or losing.

"We can't control the on-field results or the weather," Deutsch said. "But we can control the fan experience.

"You want people to go home and say, 'Hey, that was a fun night out." The entertainment includes pregame on-field and video board entertainment as well as between-innings promotions and events.

Deutsch said Dayton had about 200 different between-innings entertainment options that rotate.

"That keeps things fresh," he said. "That way fans who are there night after night aren't seeing the same things."

But Deutsch said local traditions, like the singing of "Oklahoma" during the game, would continue.

One of the first orders of business for the new ownership group figures to be the team's affiliation status.

For the first time since 1983, the team will change MLB affiliates. The Round Rock Express have called a Thursday news conference to announce their affiliation change and are expected to join up with the Texas Rangers.

Thursday is the first day new player development contracts can be announced. The RedHawks' announcement is likely to come next week, when Mandalay executives are back in Oklahoma City for the Triple-A Baseball National Championship Game on Tuesday at the

The game features the Pacific Coast League champion against the International League champion in a one-game playoff that will be broadcast on Versus.

Innovation and Entertainment that Stirs the Mind

At Mandalay, we pride ourselves on making sure every part of the fan experience is first-class, cool, neat and special.

It starts when our fans receive their tickets. Fans won't receive their tickets in a manila envelope in the mail. We'll send them Super-Bowl style tickets, delivered in a unique, special gift package. The package will come via courier.



Once the fan comes to the ballpark, they see new entertainment and innovation. Every step of the way we want to create a love affair with our fans.

Here's what is new this season:

- The Longest TV Screen in all of Oklahoma. We installed a 185 foot long LED wall in left field to entertain our fans. There are fan pictures, video horse races and between innings games on the LED wall.
- More and better entertainment. Mandalay specializes in entertaining our fans. We send all of our mascots and game hosts to Boot Camps to practice how to entertain the fans. We have new music, new skits and new video board clips to entertain.
- **Disney-Like Customer Service.** At our teams, all of our game day staff, front office staff, and our concessions workers go through Mandalay University, our customer service training program. It's modeled after Disney University and is designed to make sure each of our fans is treated spectacularly at each and every game.
- Cleaner, fresher looking ballpark. This isn't exactly innovative but more common sense. We cleaned up the ballpark. We painted everything we could and power washed everything else. And, we figured out a way to chase away those pesky pigeons.



Toddler Race



Big Wheel Rally



Jr. Diamond Dancers

The Swiss Army Knife Partnership

We see our corporate sponsorships differently. We believe they should be more than just a sign on the wall and some tickets. We feel like our sponsorships are more like a Swiss Army Knife.

If you've ever had a Swiss Army Knife, you know how valuable they are. A Swiss Army Knife has a multitude of tools to help you accomplish a whole bunch of different tasks in every day life.



Our corporate partnerships are the same way. There are a number of different tools in our sponsorships that help you accomplish your goals in your everyday business.

Our partnerships are multi-dimensional and designed to make an impact.

For LEXUS, they could impact your business in a number of different ways.

Limiting the Competition

A typical Minor League Baseball team will have an unlimited number of sponsors and no category exclusives. This why you will see 60 or more sponsors advertising on the outfield well. You will see two, three, or even four competitors in the same vicinity on the outfield wall.

Even between-inning events are often created not because of the entertainment value for the fans, but to add another sponsor. It's like more sponsors are not enough.

The result is no identity for any sponsor.

By limiting the number of sponsors and by providing certain exclusivities, we are creating a **dominant identity** for those sponsors that do participate.

A typical minor league baseball team will have up to 400+ sponsors. With the RedHawks, we'll have less than 50.

Team	# of sponsors	
Typical	400+	
Oklahoma City RedHawks	50	

LEXUS will be the only sponsor on the Club Level.

The Concept of Club Level Naming Rights

The Concept of CLUB LEVEL NAMING RIGHTS is simple:

LEXUS should dominate the experience of every part of the Oklahoma City RedHawks Club and Suite Levels

CLUB LEVEL NAMING RIGHTS isn't just a sign at the entrance. LEXUS will dominate every step of the Club and Suite Level Experience. The CLUB LEVEL NAMING RIGHTS PARTNERSHIP allows *depth* and *dimension* and *understanding* and, ultimately, *persuasion*.

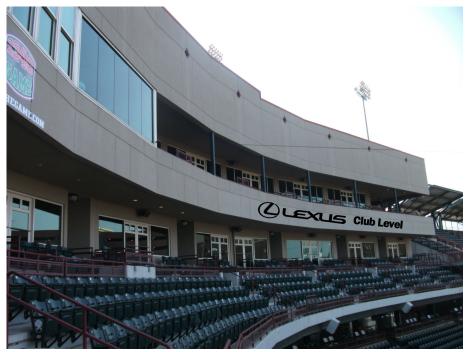
- <u>Depth & Dimension</u>. CLUB LEVEL NAMING RIGHTS starts as soon as fans head to the entrance of the Club Level. It continues during the game, all game long. It continues as the fans are leaving the ballpark. It even continues in the off-season as other events take place on the Club Level.
- <u>Understanding.</u> CLUB LEVEL NAMING RIGHTS works particularly well for a multi-faceted company with multiple products. THE CLUB LEVEL NAMING RIGHTS partner has the ability to:
 - o Feature multiple-products.
 - Feature its importance to the community in a socially acceptable manner.
 - o Feature its commitment to their employees.
- <u>Persuasion</u>. THE CLUB LEVEL NAMING RIGHTS is bigger than its elements because each element lends strength to the others. When there are these types of dynamics then powerful long-term persuasion is possible.

Dominant Exterior Club Signage

CLUB LEVEL NAMING RIGHTS starts by making an impact all game long. LEXUS will have a dominant presence throughout both the Suite and Club Level at the ballpark. LEXUS'S dominance starts the moment our fans receive their tickets, when they enter the ballpark and when they are in their seats.



FIELD SIDE SIGNAGE



LEXUS will be prominently displayed on the seating bowl side of the Club.

CLUB WAY-FINDING SIGNAGE





LEXUS will be displayed on way-finding signage in the concourse, stairways leading to the Club Level and section directional signage.

CLUB ENTRANCE SIGNAGE





LEXUS will have signage at every entry point for the Club Level.

Dominant Interior Club Signage

The inside of the Club Level is where LEXUS can really tell a story.

The hallway walls can be a blank canvas for LEXUS.

You could:

- ➤ Unveil new products with wall murals and dominant displays.
- ➤ Showcase LEXUS products with interactive and engaging digital signage.
- ➤ Tell the story of the history of LEXUS in Oklahoma City and nationally.
- ➤ Recognize top employees and their contribution to LEXUS's success.

*Steve: this will be 11x17

The LEXUS Club Lounge

On the first floor of the Club Level, the center of activity is the Diamond Club Lounge. As CLUB LEVEL NAMING RIGHTS Partner, the Diamond Club will be re-branded to become an extension of LEXUS.

Think of it like a show room for LEXUS products. The walls of the LEXUS CLUB Lounge will become a canvas for us to mutually paint on.

Virtual LEXUS Showroom

We can't put a car in the LEXUS Club Lounge.

However, we can do the next best thing. We can put a virtual car in front of our fans so they can touch and feel your newest and best products.

We'll create a 10' x 10' video wall that can become a virtual showroom for LEXUS.

Imagine our most affluent customers standing in front of the wall. They'll see your newest cars for different angles. They'll virtually open the door and take a look inside. They'll be able to read the window sticker.

We'll even install a LEXUS Club Lounge kiosk so they can search your cars on-line and be able to find a dealer closest to them.



The VIP Experience

How often do you, as an employer, ever get to truly reward some of your outstanding employees for a job well done ... and not have to lift a finger?

Or, how often to do you get to provide a truly unique experience for a key client or prospect ... something they can't get anywhere else?

With this VIP reward program through the Oklahoma City RedHawks, LEXUS will have the opportunity to identify one person each month of our season for special VIP recognition with the Oklahoma City RedHawks.

Those valuable employees or clients will see first hand the "WOW Factor" that the Oklahoma City RedHawks bring to the table as they and three guests arrive for a night of VIP treatment at an Oklahoma City RedHawks game.

Here are the critical components of the program:

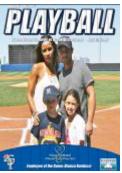
- 1. You set the criteria for success. The beauty of this rewards program is that it is 100% flexible. You can reward anyone you want for any reason under the sun. You might consider employees who are:
 - o Increasing revenue
 - Your best leaders
 - o Always on time
 - o Reducing waste
 - Reducing costs
 - Selling the most
 - o Contributing to the community
 - The model employee

As you can see, it's quite easy to go on and on about what makes great employees who are worth rewarding. With this promotion, the choice is up to *you*.

2. A night to remember. Each of your award winners and their lucky guests are in for the experience of a lifetime when they arrive for their special night.

Included in their experience is:

- VIP parking. The night begins before ever stepping foot into the stadium as your guest pulls into their own VIP parking spot.
- o **A bag o' goodies.** What fun is a trip to the ballpark without some cool team souvenirs? Your employee will receive their own bag stuffed with RedHawks goodies and enough hats for everyone in the group. All of these gifts are given courtesy of LEXUS.
- o **Behind-the-scenes tour.** Your employee and guests will get to see a side of the ballpark most people only dream about. They'll be guided on a behind-the-scenes tour through the stadium by one of our representatives, making stops to see:
 - The high-tech entertainment control room,
 - The press box and radio broadcasting booths,
 - Our exclusive luxury suites,
 - And a final stop inside the RedHawks dugout and out onto the playing field
- o **On-Field Visit.** Your guests will get to go on the field and hang out with the players. They'll get autographs and photos up close, just like the media can do before a game.
- O Picture perfect. Just to make sure no one forgets the experience of being on the field, we'll bring along a digital camera and snap a picture of your guests with the field as the perfect backdrop. By the time they get home, your guests' picture will already be awaiting them via email.



- o **Ballpark meal.** By the time your employee reaches the dugout, they'll have no doubt started to note the sweet smells of ballpark food throughout the stadium. As the perfect ending to their behind-the-scenes tour, your guests will be given RedHawks bucks for food and drinks to enjoy throughout the game, all courtesy of LEXUS.
- O Great seating. It's true that there are no bad seats at the ballpark. But we've made sure that your employee's special night will be celebrated with great views of that night's game from some of our best seats in the house.
- **3.** A valuable tool for you. Once your employees and clients find out about this program, they'll be beating down your door wanting to know how they can get that reward.

Presto! You've now got a captive workforce...

With this program, you can set an example for all of your employees of exactly what you expect from them. You can also say "Thank You" in a big way to long time clients or new customers.

In business, your bottom line is linked directly to your relationships with employees and clients. Now you'll have a tool that helps you keep those relationships strong and improve your bottom line.

Not a one time thing

The best part of this program is that it isn't just a one-time promotion. You'll be able to reward, make a shining example of and thank your best employees or customers once a month (five games) this summer during RedHawks home games.





Own Our Ballpark for a Day

With more people attending games than ever before, the ballpark will be the centerpiece of Oklahoma City during the summer months.

As the centerpiece, it is a terrific environment for you to use the stadium for your own company event.

It could be for a big meeting, it could be for a big demo. It can be for practically anything. Just know that as our CLUB LEVEL NAMING RIGHTS PARTNER, LEXUS has the use of our ballpark for one day. Let us help you coordinate it.



Multi-Media and Merchandising

Ticket Fronts

LEXUS will have the LEXUS Club Level logo prominently displayed on the front of all club and suite tickets.



Season Tickets

LEXUS will receive four Club Level seats to 72 Oklahoma City RedHawks regular season games, and postseason games, to use for client entertainment or to reward outstanding employees. You will also receive VIP Parking for each of the 72 games.

Group Night

LEXUS will receive its own Group Night. On your Oklahoma City RedHawks Group Night, you will receive 100 tickets to entertain your employees and/or clients.

Use of the Club

LEXUS will have the use of the LEXUS Club Level five times during the year for special events, parties or meetings.

Business Entertainment Suite use

Watch an Oklahoma City RedHawks game in style and class in a Business Entertainment Suite. You'll have five suite nights, roughly one per month. Each suite accommodates 20 guests.

Use of Oklahoma City RedHawks Marks and Logos

The Oklahoma City RedHawks brand will be bigger than ever before. If it helps your business to use our marks in advertising, on your website, or for any other business use, please do so. This is only allowed for corporate partners of the Oklahoma City RedHawks.

Mascot Use

Our mascot will become an area icon. Use him for grand openings, the company party, or for any special occasion where the Oklahoma City RedHawks mascot can add some fun to your event.

Kids Day with the Oklahoma City RedHawks

This event is not open to the general public. It is open exclusively to youngsters in our immediate corporate family. Here is how this special day works:

• Fifty of your employees and their families are invited to a closed event on a Saturday morning during the season. This is a different type of practice. Your youngsters will be able to participate in hitting, fielding, and throwing drills on the field with Oklahoma City RedHawks players and coaches.

Add in autographs, photos, complimentary souvenirs, pictures with the mascot, free food and beverages, and all-in-all, it will be a memorable day for any youngster in your organization.





With Corporate Partner Kids Day, you'll see that our players are just big kids.

The Opportunity

As the CLUB LEVEL NAMING RIGHTS PARTNER of the Oklahoma City RedHawks, LEXUS will receive the following:

- **Dominant Exterior Club Signage.** LEXUS will have a dominant presence on the exterior of the club level, including Field Side Signage, Way-Finding Signage, and Entry-Way Signage.
- **Dominant Interior Club Signage**. LEXUS will have a dominant presence on the interior of the club level, including the Hallway Walls and Interior Way-Finding Signage
- The LEXUS Club Lounge. LEXUS will re-brand the Diamond Club Lounge as an extension of LEXUS, which includes painting the walls and featuring LEXUS products on the bar television screens.
- **VIP Experience.** Each honoree will be recognized as the LEXUS VIP of the Game and receive recognition on our giant scoreboard at five games during the season.
- **Ballpark Private Usage.** LEXUS will have the use of the ballpark for a company event one time per season.

Multi-Media and Merchandising

- **Ticket Fronts.** LEXUS will have the LEXUS Club Level logo prominently displayed on the front of all club and suite tickets.
- **Season Tickets.** LEXUS will receive 4 Club Level season tickets for all Oklahoma City RedHawks regular season and postseason home games.
- **Group Night.** LEXUS will receive 100 group tickets.
- VIP Parking. LEXUS will receive one free VIP parking spot to all Oklahoma City RedHawks home games.

- Use of the Club. LEXUS will have the use of the LEXUS Club Level five times during the year for special events, parties or meetings.
- **Business Entertainment Suite use.** LEXUS will receive five Business Entertainment Suite Nights during the season.
- Use of the Oklahoma City RedHawks Marks and Logos. LEXUS can use the Oklahoma City RedHawks marks and logos in advertising or any other business use.
- **Mascot Use.** LEXUS can have the RedHawks mascots, Cooper or Ruby, for any special event twice during the season.
- **RedHawks Kids Day.** LEXUS will receive 50 passes for families of LEXUS to attend RedHawks Kids Day.

AGREEMENT

Term:

2012: \$XX,500

2013-2016: \$XXX,500