

2008 Marketing Proposal

37th St. Louis Championship Grand Prix

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The St. Louis Championship Grand Prix

A World-Class Event

I. History: St. Louis Championship Grand Prix

It was 1972 and the Concord Village Lions Club had pledged \$60,000 toward the purchase of a mobile intensive coronary care unit for St. Anthony Medical Center. A series of fund-raising events, such as dances, turkey shoots and raffles, were making only small dents in the effort. Bill Seebold Jr., a boat racer and member of the club, suggested that the Lions hold a boat race.

Nearly four decades later, the race has raised over \$2 million for local charities supported by the Lions and has become known as the most prestigious outboard powerboat race in the world. In 2000 the race was moved to a new, larger and more convenient location, Creve Coeur Lake. This St. Louis County Park has proven itself an ideal location for America's longest-running powerboat race.

The 37th running of the race will be held August 2-3, 2008. Proceeds will support the club's local charitable activities.

The 2008 race will be televised nationally on The Speed Channel. Television viewer ship of recent St. Louis Grand Prix races has ranged from 200,000 to 600,000, according to Nielsen Cable Ratings. The race traditionally is covered by national boating magazines, local newspapers and local radio and television stations.

Recent corporate hospitality patrons of the race included Anheuser-Busch Inc., Pepsi-Cola Bottling, Charter Cable, Advantage Marketing, U.S. Army, R.S.C. Rentals, Sherwin-Williams Paint and Progressive Insurance.

The St. Louis Championship Grand Prix is one of the longest-running boat races in North America and is often referred to as the "Indy 500" of boat racing. Boat racers from near and far covet a St. Louis trophy as a defining memento of a successful career.

II. Why Are Motorsports A Powerful Marketing Tool?

Businesses -- from neighborhood operations to the largest corporations -- have learned motorsports marketing is one of the best uses of valuable promotional dollars. Motorsports sponsorships in the U.S. are estimated to exceed \$1 billion. One in every six sponsorship dollars in the U.S. is earmarked for motorsports marketing, according to the IEG Sponsorship Report. Motorsports account for 38 percent of sports sponsorships.

Why? Because nothing touches the lives and hearts of consumers more effectively than racing. Racing fans represent a total cross-section of American people of all ages and educational and income levels. A day at the races is a great way to form and cement bonds with customers and build product awareness, sales and loyalty.

III. Race Location

While many race sites claim to offer a park-like setting, the St. Louis Championship Grand Prix is, in fact, set in a park where the sparkling waters of spring-fed Creve Coeur Lake reflect the endless blue skies covering the Missouri River valley. The St. Louis Championship Grand Prix is held at Creve Coeur Park in west St. Louis County. The park is located near the regional population center within minutes of Interstates 70 and 270, restaurants, thousands of first-class hotel rooms and Lambert St. Louis International Airport.

The park sits on the scenic plain formed over the ages by the nearby Missouri River, affording plenty of space for spectator accommodations. A popular feature of Creve Coeur Lake is its ample water-front, which curves around the main straight-away and last turn of the race course. The beach places spectators close enough to the action to hear the boats skip off the water -- and one another -- in the tight turns.

The beach also provides plenty of prime viewing space, right at the water's edge, for guests in the Corporate Village hospitality area. The Corporate Village is separated from the general spectator area. Invited guests are identified by wrist bands that provide entry to their host's tents along the front straight of the race course. Gourmet

catering for the Corporate Village is provided by a food preparation and delivery staff dedicated to hospitality customers.

IV. The Boats and Drivers

Since its founding, the St. Louis Championship Grand Prix has featured the world-leading outboard powerboat class. The specifications and name of this class have changed over time, evolving toward the Champ boats, now raced across North America and by the Union Internationale Motonautique in Europe and Asia.

Champ boats are 16'6" to 17' in length. Most are powered by a 2.5-liter, two-stroke, electronically fuel injected, V-6 engine that produces about 350 horsepower. Most teams run Mercury engines but current rules encourage other engine manufacturers to become involved. The boats, made of imported woods, fiberglass, Kevlar and carbon fiber, must weigh a minimum of 1,155 pounds at the end of a race. (The minimum weight includes the driver and any remaining fuel.)

The driver is belted into a safety capsule similar in design to the tub of a Formula One or Indianapolis-style race car. The capsule is molded of carbon fiber and Kevlar and is strengthened with aluminum at strategic locations to absorb impact forces.

The boats are based on a tunnel-hull that channels air under the boat, allowing air pressure to lift the boat partially off the water surface at speed. This reduces drag, increases top speeds and creates spectacular action when a gust of wind or driver miscalculation sends a boat flying into the air in a crash known as a blow-over. When the boat is trimmed forcefully back into the water at the end of a straightaway, the runners beneath the tunnels dig into the water to create severe cornering forces. The boats can accelerate from zero to 100 M.P.H. in 3.5 seconds and reach top speeds near 140 m.p.h.

The high speed and nimble handling of these craft create very exciting racing on the water, as the Champ boats run within inches of each other and often make contact.

The St. Louis Grand Prix also features other classes of boats and water activities.

V. Marketing Opportunities: Race Attendance

Estimated live attendance at Champ boat races in the U.S. and Canada in recent years is estimated at 750,000. Live attendance at the St. Louis Championship Grand Prix has ranged from 15,000 to 20,000.

The 2007 race was covered by the Suburban Journals of Greater St. Louis, St. Louis Post-Dispatch, St. Louis Motor Racing News, KMOX-AM, KTRS-AM, KPLR-TV, Powerboat Magazine, Hot Boat Magazine and Propeller Magazine. Charter Cable and Emmis Radio Group were media partners.

The St. Louis Championship Grand Prix offers sponsors outstanding opportunities to break through the clutter of traditional advertising and touch consumers -- live and in person, with product displays, demonstrations, sampling, couponing, awareness programs and mentions over the public address system. Association with a prestigious, world-class event is a certain means of enhancing the company image, too.

VI. Marketing Opportunities: Corporate Hospitality

A major motorsports event such as the St. Louis Championship Grand Prix provides excellent opportunities to entertain clients, customers and employees in a positive, exciting and enjoyable environment. The St. Louis Grand Prix offers sponsorship packages that include food and beverage service and VIP tent seating right at the edge of the lake on the main straightaway of the race course.

A day or weekend at the race can assist you in building relationships, loyalty and morale among your customers and employees. Due to the unique nature of motorsports, it is possible for sponsors and spectators to visit drivers and crew members in the pit area before and after races.

Racing, unlike any other sport, invites you and your key audiences into its locker room to share in the unforgettable glamour and excitement of an international sporting event. Other special activities may be designed to meet specific sponsor marketing objectives.

VII. Marketing Opportunities: Event Advertising

The St. Louis Championship Grand Prix is supported by advertising in print, radio, television and outdoor media throughout the metropolitan area. Your sponsorship package can include event advertising targeted to your specific audience and promotional needs.

VIII. Marketing Opportunities: Demographics

Boaters and racing fans comprise two of America's most lucrative demographics. They are active consumers who bring disposable incomes from all walks of life. They are people who have money to spend on their personal needs and interests. Many are business owners.

IX. Sponsorship Packages and Benefits

Title Sponsor

The Title Sponsor will receive all naming rights to the 2008 event, which will be referred to as "The 37th Annual (Title Sponsor) St. Louis Grand Prix Powerboat Races." The Title Sponsor's name and logo will be featured in an aggressive regional marketing communications program. The name and logo will appear in all radio, television and print advertising; press releases; posters; signage; tickets; race advertising book; other event-related materials; public address announcements; and television broadcasts.

The Title Sponsor also will enjoy VIP privileges during the race weekend, including a beach-front corporate tent for entertaining 30 to 40 guests; VIP parking passes; guest access to the VIP viewing, lunch and refreshment area; Class 1 site signage rights; product displays, sampling and couponing; 100 complimentary race tickets; a full-page advertisement in the race program book; and other rights that meet the title sponsor's promotional goals.

The fee for Title Sponsorship will be \$50,000.

Executive Sponsor

The Executive Sponsor package includes a 20-by-20-foot Corporate Village Tent with 30 VIP tent admission tickets; VIP parking passes; 100 complimentary general admission race tickets; rights to signage, product displays, sampling and couponing; and mentions in all print, radio and television advertising, press releases, posters, signage, tickets, race program and public address announcements.

The fee for Executive Sponsorship will be \$30,000.

Supporting Sponsor

The Supporting Sponsor package includes a 15-by-15-foot Corporate Village Tent with 20 VIP tent admission tickets; VIP parking passes; 50 complimentary general admission race tickets; rights to signage, product displays, sampling and couponing; and mentions in all print, radio and television advertising, press releases, posters, signage, tickets, race program and public address announcements.

The fee for Supporting Sponsorship will be \$15,000.

Associate Sponsor

Associate Sponsor package includes a 15-by-15-foot Corporate Village Tent with 20 VIP tent admission tickets; VIP parking passes; 25 complimentary general admission race tickets; and limited rights to signage, sampling and couponing.

The fee for Associate Sponsorship will be \$10,000.

X. Advertising and Public Relations Program

The 37th Annual St. Louis Grand Prix Championship Powerboat Races will be supported by a comprehensive, regional and national advertising and public relations program.

A comprehensive press kit, containing color photography and video, will be prepared in advance of the event. The race will be supported by a media relations plan targeting national boating publications such as Powerboat (monthly circulation 31,000), Hot Boats (circulation 52,000) and Propeller (circulation 7,000). The regional media plan will target newspaper and magazine travel and sports editors in cities within 500 miles of St. Louis.

Sports media and radio/TV personalities within the St. Louis area will be intensively targeted prior to the event.

An on-site media relations office will be staffed throughout the event to assist reporters, photographers and videographers covering the event and to distribute race results to local and national media.

A 30 minute ChampBoat Series television show will be taped and broadcast nationwide on The Speed Channel of the St. Louis race, as well as a One Hour series summary which will include highlights of the St. Louis Grand Prix.