



WeatherTech Raceway at Laguna Seca



Why consider a naming sponsorship



The benefit of dual marketing of brands brings awareness that is magnified over distinct market segments.

Venue title/naming sponsorships continue to be a significant source of revenue in North America sports organizations. Motorsport facilities have increasingly been less successful in these sponsorships than other sport facilities.

Naming Sponsorships provide a consistent steady revenue stream for facility improvements. Facility improvements provide an enhanced fan atmosphere which will lead to higher levels of fan engagement.

Facilities located in major media markets and/or that generate significant media attention generate the highest fees.

Naming Rights a Case Study



Potential factors influencing Phoenix International Raceway (PIR) acquisition of naming rights partner:

- PIR beginning a complete renovation of the facility. Facility is razing all buildings and rebuilding with a focus on fan engagement and technology.
- Because it represented new revenue, naming rights likely seen as key part of capitalization process.
- In general “traditional” categories continue to be challenging, focus on emerging business is key
- Used reinvention of the facility as a technology focused facility as key positioning statement.
- Ability to be “new again” was instrumental to securing a naming partner.
- ISM Connect was already a small scale partner of the track.
- Partnership centers on using ISM Connect technology to:
 - Reinforce PIR positioning
 - Showcase ISM Connect capabilities

Sponsorship Strategy



Laguna Seca Recreational Area (LSRA) seeks sponsors who believe in a vision that transforms LSRA into a world-class, industry leading recreational area and road course for years to come. This vision benefits:

1. Monterey County residents
2. Monterey County economy
3. LSRA Sponsors/Partners
4. Race Series and track renters

This agreement represents a five-year sponsorship that helps enable a strategy to bridge the gap in our current infrastructure to a new and improved facility that will be used to grow investments in our community.

Goals:

1. Secure a naming rights sponsor that does not present competitive conflicts with automobile companies or other motorsport focused entities, and;
2. Segment sponsor categories by creating new opportunities to attract additional sponsors for a increased Net Income which can be reinvested.

Why WeatherTech is the ideal match for our strategy

1. WeatherTech is an industry leader in vehicle accessories and has significant automotive clients
2. Founder & CEO David MacNeil believes in the long-term vision and success of Laguna Seca. David MacNeil has a residence in Monterey County, which indicates local commitment.
3. WeatherTech proudly promotes its made in America heritage; thereby providing an authentic connection to an All-American Laguna Seca brand.
4. WeatherTech is title sponsor of the IMSA series that travels the country with a major stop in Monterey
5. WeatherTech is committed to investing \$5 million over five years, plus an option to negotiate an extension



New WeatherTech Naming Rights Valuation

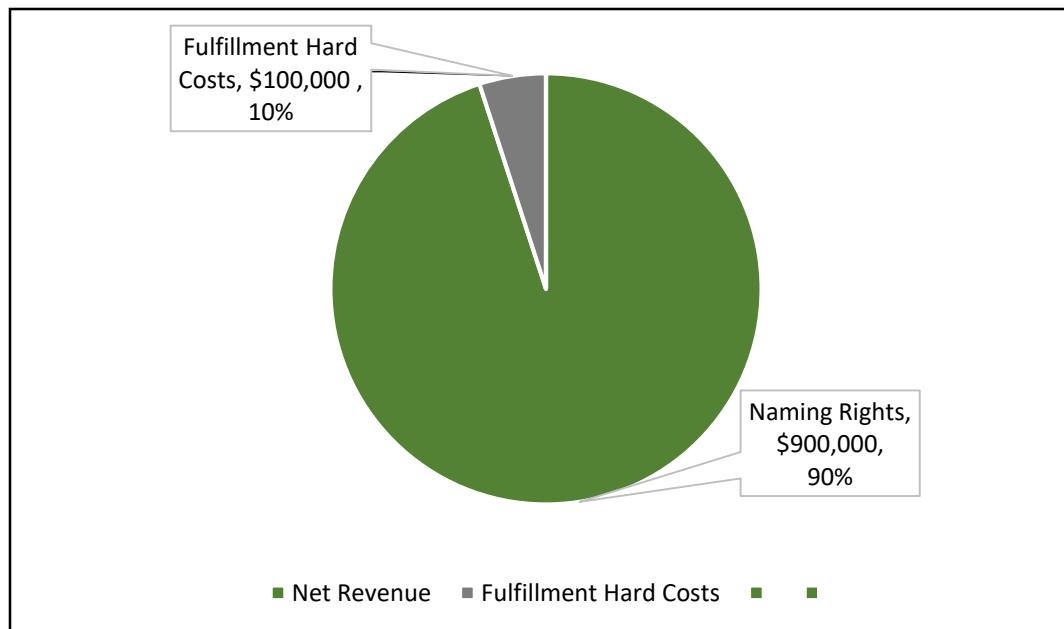
The WeatherTech Naming Rights Financial Sponsorship Snapshot

WeatherTech agreement at \$1 Million annually is projected to provide an average annual Net Income to the facility of \$900,000.

This included, among other assets:

- *Naming Rights

- *Significant signage and branding

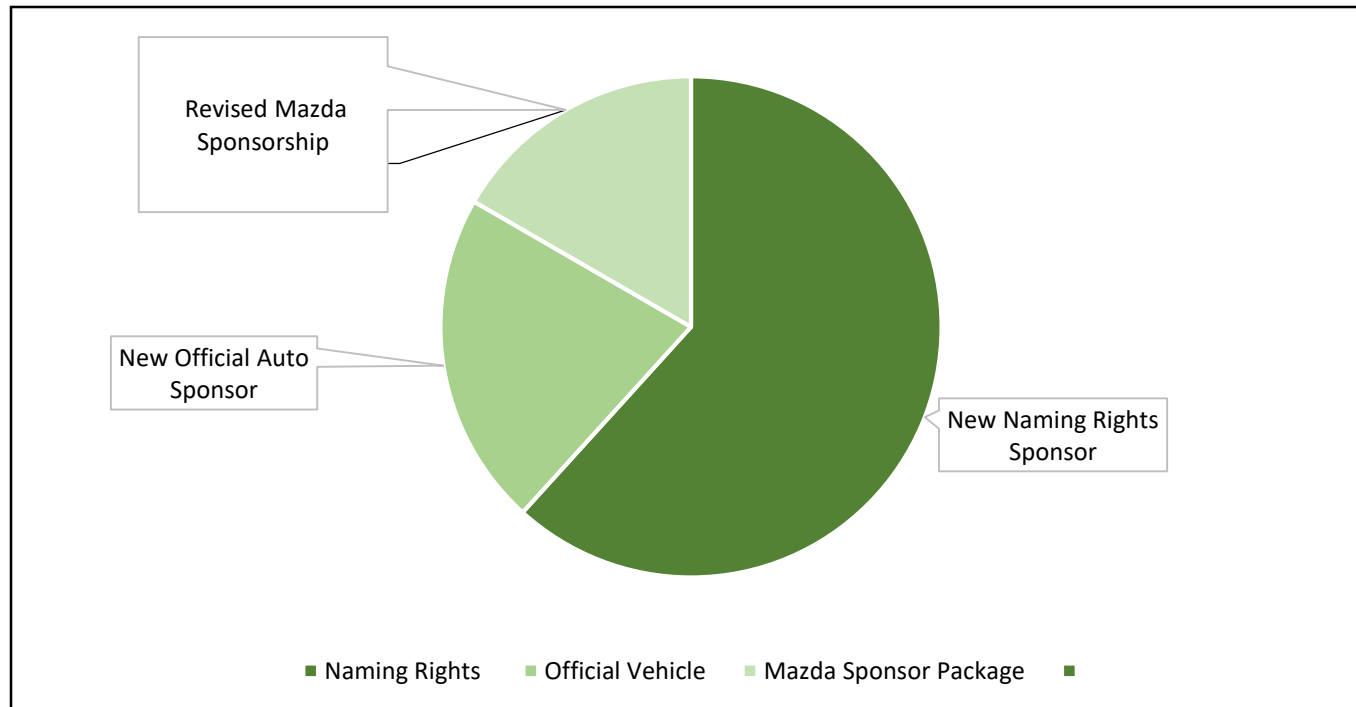


Increased Revenue Streams



The New Sponsorship Landscape

New categories are now open to explore and several are in negotiations. The Net result is expected to provide significantly increased revenue.



Motorsports Sponsorship Fallacies



The Competitive Landscape

Since 2008's Auto Club of Southern California naming rights at California Speedway there have only been one new motorsports naming rights sponsorships and three have ended: Lowe's (Charlotte Motor Speedway) Infineon (Sonoma Raceway) and Mazda (Laguna Seca) – None renewed and ONLY Laguna Seca has been able to secure a new partner.

On March 14 2018, Lowe's announced an end to its 17-year run in NASCAR and Hendrick Motorsports, marking the departure of the last year-round corporate team sponsor in the series.

Phoenix International Speedway (2018-2027) (primarily NASCAR event track) – estimated \$1 to \$1.3 million annual sponsorship in addition to partnering in a multi-million dollar renovation project. The ISM naming deal was only one part of a larger ISC multi-track technology agreement.

A strategy of not accepting a naming sponsor is financially unquantifiable and presents an immediate risk to Net Income. While sports invoke fan emotions the ultimate goal is to enhance the fan experience. Revenue diversification will provide the opportunity to improve the facility thereby providing a more satisfying fan experience.

Industry Response



Since the WeatherTech Naming Rights news was published in the Monterey Herald, the motorsports industry has been abuzz and vocal in congratulating both WeatherTech and LSRA for the forward-thinking sponsorship, with praises coming from Rolex, McLaren, Porsche, Mercedes-Benz, Lexus and other race tracks who are calling it a great win.

On the proposed partnership with WeatherTech:

Kyle Younghans - Rolex, VP Sports Marketing, “Congratulations.... They (WeatherTech) would be a good partner to the track”

Andy Thomas – McLaren, VP Marketing Communication, “Congratulations on the WeatherTech sponsorship of Laguna Seca!”

Jens Walther – Porsche AG, Head of Motorsports, “Congratulations to the announcement on Laguna Seca! This is really big news.”



Consider:

A Sponsorship Agreement between MacNeil Automotive Products Limited (“WeatherTech”) and the County of Monterey for exclusive title sponsorship of the Raceway at Laguna Seca Recreational Area.