

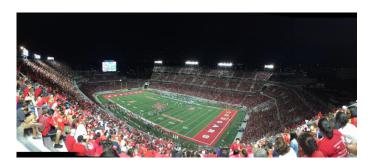
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Enhancing Your Brand With Strategic Seating Programs



William Mykins & Bryan Slater

Robertson Stadium served the University of Houston well for years, but in 2010, UH decided it wanted something more—an impressive campus edge feature that would boost revenue, brand, energy, and the game-day experience. The answer arrived

in the form of the 40,000-seat TDECU Stadium, which opened in 2014. TDECU Stadium's features and benefits have reshaped Houston's brand. One such feature is its strategic seating program—with strategic being the key word. **Because seating programs aren't about what will look nice or how many seats will fit, but how many seats are demanded and what investments will pay off—what revenue will be generated, and how they'll support operating requirements and potential debt service obligations.**

To determine the demand for premium seating at TDECU stadium, UH called in B&D, and the team began with a comprehensive market evaluation and premium-seating analysis of selected comparable markets, conference institutions, and peer institutions. Those findings combined with the results of further analyses (e.g., concept refinement focus groups, financial analyses, surveys) determined the following level of demand and seating mix:

- 25 luxury suites
- 40 loge boxes
- 800 club seats

TDECU Stadium's ultimate design closely followed the recommended seating program:

- 26 luxury suites
- 42 loge boxes
- 766 club seats

Three years later, the decision has proven to be a wise one: The stadium has sold out of its premium seating offerings since opening. Further, David Bassity, UH's senior

associate athletic director for strategic communications and digital media, says, "Houston fans who have secured season tickets in the premium-seating areas have consistently enjoyed their game-day experience, and the renewal numbers reflect that. The variable seating options and premium amenities have greatly contributed to the success of premium-seats sales." And in 2016, the *Houston Chronicle* reported, "With the move from Robertson Stadium to TDECU Stadium, UH saw an increase in annual football revenue from \$1.5 million to \$5 million."

The stadium has also helped redevelop UH's athletics brand by making conference realignment possible, making recruitment easier and more successful, and improving the student-athlete experience.

Spurred by this success, UH's athletics program has entered a period of striking growth. Multiple other projects are now underway, each bringing in revenue and bolstering excitement around the Cougars.

This is an excerpt of an article published in Sports Business Journal. Read the full article.

Innovative Partnerships: Athletics Leads The Way



Andrew Lieber

Across the country, public and private universities alike are constructing and renovating facilities or expanding athletics offerings with similar objectives—recruiting athletically and academically talented student-athletes, retaining a dynamic general student population, and engaging alumni and community members for support. With more and more initiatives competing for

the same pot of money to cover these endeavors, though, it becomes increasingly difficult to develop a competitive advantage, let alone a sustainable one. While traditional public-private partnerships ("P3s") are being discussed as one solution to this problem, I would argue that universities and athletic departments should think even more strategically. Partnerships of all sorts are worth exploring.

Here are some examples of more innovative means to form beneficial partnerships:

- Look in your own backyard. More and more schools are partnering with their city, and in doing so finding success in their overlapping objectives that don't interfere with their ultimate missions. One example of this: The College of Saint Rose partnered with the City of Albany, NY, to turn unused municipal fields into contemporary practice and competition venues.
- 2. **Consider sharing space.** For example a school or city could own or lease a portion of a new ballpark, each bringing enough population to the area that, together, the surrounding restaurants and retail stores remain open all day. Sharing space can also provide opportunities for decreasing up-front and ongoing expenses during construction and operation.
- 3. Realize that you can start a positive feedback loop with your surrounding area—and then benefit from that loop. Sports venues can transform a city, bringing talent to the area, increasing tax revenue, getting more people on the streets (in terms of safety), etc. And what happens to the sports venue as it transforms the city? It becomes a vibrant corner of the city, with an increasingly large and energetic fan-base. For the school constructing that arena, that means more tickets sold, a better game-day environment, and more talented students and employees.

Ultimately, the question isn't, "Should I partner with other organizations?" The question is,

"What is the right partnership for this project, if there is one, and how does this come together?" For more insights, check out my two-part article on the Higher Ed P3 Resource Center (Part 1 and Part 2).

A Sneak Peak Into Some Projects In The Works: Washington, DC

The B&D Venues team is hard at work bringing exciting and important venues to cities around the country. Here's a sample of what we're up to in the national capital region—

- We're gearing up for the opening day of Audi Field, Major League Soccer's newest stadium.
 Serving as the new home for D.C.
- United, Audi Field will also host concerts, cultural events, and community activities as part of revitalizing an industrial area. The state-of-the-art 20,000-seat stadium is being completed through a series of innovative P3s, and is expected to earn LEED Gold certification. Also of note: Bloomberg estimates that Audi Field will raise the team's valuation to \$500 Million (up from \$230 Million). Learn more about our work on this project aiding the District in horizontal development.
- 2. On the heels of the Audi Field opening is the new **Entertainment and Sports Arena** opening in September. This \$65M project will deliver a 4,200-seat venue to serve as the NBA Wizards training facility and the home arena for the WNBA Mystics and other sports teams. It will also host concerts and community event programming, and bring new dining and retail to an underserved neighborhood. The venue is estimated to attract over 350,000 annual visitors, and to generate 300 permanent and 600 construction jobs. This project is "bigger than basketball"—learn more.
- 3. B&D Venues' own Chris Dunlavey has partnered with local business leader Paul Sheehy to secure exclusive rights for a DC-based Major League Rugby team. With the successful launch of the inaugural season of Major League Rugby this past April, fans in the national capital region can begin dreaming of a professional rugby team of their own. Read the full press release and subscribe for news and events.

If you're curious to hear more about our projects across the country and their impact, join B&D's Bryan Slater at next month's ALSD Conference in Atlanta. He'll be copresenting "Maximizing Premium Seating Revenue Through Use of Analytics" on Tuesday, June 26, at 1:25pm.

B&D has three quarterly newsletters (Higher Education, K-12, and Venues). Learn more.

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