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Marquee opportunity — or missed opportunity? Washington Nationals' naming rights still marketable

Premium content from Washington Business Journal by Ben Fischer, Staff Reporter

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Whatever happened to [Insert Corporate Name Here] Park?

When the **Washington Nationals** opened their new stadium on the Anacostia River four years ago, "Nationals Park" was widely understood to be a placeholder, to be used only until the team sold naming rights to some corporate brand for upward of \$10 million a year.

But on April 12, the Nationals started their fifth season in none other than **Nationals Park**. And to experts in the sports marketing world, the stadium remains one of the great unrealized marketing assets in America.

"It's sort of a mystery why it's not sold yet," said [Dean Bonham](#), CEO of French sports marketing firm Bonham/Wills & Associates and negotiator of 12 major stadium naming rights deals. "It's a prominent market. The team — it's not a World Series team, but it's an interesting team. I can't see any reason why that deal hasn't been done."

The Nationals aren't talking. There's little outward evidence of an active sales effort, industry insiders say. One potential deal bubbled up late last year, but that was the only activity since the

ballpark's earliest days, said [Lisa Delpy Neirotti](#), a sports management and tourism professor at **George Washington University** who speaks with club sources regularly.

But that doesn't mean a deal isn't out there, waiting for the right blend of creativity, opportunity, salesmanship and shrewd strategizing to take hold. While it might have been much easier to strike a deal before the recession hit corporate America, experts say the market hasn't dried up entirely, as evidenced by recent deals in Los Angeles and New York. Major stadiums in Dallas, Miami and Kansas City, however, remain without a sponsor.

To be sure, some experts acknowledge the Nationals' best chance to make a deal may have been before the stadium opened.

"They were in the marketplace at a time when you would have thought it would have been good," said [Dennis Howard](#), a **University of Oregon** business professor who studies naming rights. "And shortly after that, in the middle of 2008, we realized we were in serious trouble economically and the markets just shut down. They had a window of opportunity, it looked like."

Experts say the naming rights' value has eroded only modestly — perhaps justifying a conservative approach from team owner [Ted Lerner](#) and his son, [Mark Lerner](#).

[Dany Berghoff](#), who values deals for 21 Sports and Entertainment Marketing Group Inc. of Greenwich, Conn., said the Nationals could more than double a deal inked in 2008 in Minneapolis, where **Target Corp.** paid \$5 million annually for naming rights to a new Minnesota Twins stadium. Comparing the two cities' relative media exposure, along with the media exposure of their most frequent rivals, Washington could yield between \$10 million and \$15 million annually, said Berghoff, vice president for business development.

"You could very easily build the case that it's double the Twins' value," said [Rob Prazmark](#), 21 Sports and Entertainment's CEO. Prazmark was formerly employed with the Wasserman Media Group LLC team initially hired by the Nationals to arrange a naming rights deal before he left in late 2007. He says Washington remains a "sexy deal." Wasserman no longer represents the Nationals, a spokeswoman said.

Howard said the closest avatar for Washington might be the **Philadelphia Phillies**, which have a \$57.5 million, 25-year deal with Citizens Bank, along with a \$37.5 million advertising package — less than \$4 million a year.

But unrealistic expectations may be to blame for the lack of a deal prior to 2008. Before the recession, Prazmark said, everybody involved believed the Nationals could lure top dollar in the "heyday of naming rights."

"If I had to offer a guess on why it hasn't been sold, I would guess it's related to an inaccurate analysis of the value of the property as opposed to the lack of marketability," Bonham said.

Howard's skepticism rests in his analysis that there simply aren't many companies with the wherewithal, political freedom and positive brand identity to strike a deal amenable to the

Nationals.

By far, the industry best represented on the marquees of major venues are financial services providers, followed by the automobile industry. Since the federal bailouts and Troubled Asset Relief Program, however, those companies have been closely scrutinized by lawmakers and regulators. **Citibank**, for instance, drew ire from several on Capitol Hill when it struck a \$400 million, 20-year deal to name the **New York Mets'** new stadium in 2008. Others may hesitate to follow in their footsteps, particularly in Congress' backyard.

Local corporate partners have emerged as trendy buyers of naming rights now, case in point being Baltimore's M&T Bank Stadium or San Diego's PetCo Park. But one obvious local candidate, **Capital One Financial Corp.**, is working on an acquisition of **ING Direct's** U.S. business, and companies with major strategic moves in play often don't agree to such ancillary, high-dollar deals.

Multiple experts said the buyer could be a complete dark horse, a company that wouldn't generally consider a naming rights deal, but could be swayed with the right package of unique benefits only offered by the Nationals — for instance, signs literally visible from the U.S. House offices or the **U.S. Department of Transportation**. Prazmark said the Nationals may find the most promise in expanding a relationship with an existing marketing partner.

For now, the Lerner appears to be willing to sit on that potential value, just as **Dallas Cowboys** owner [Jerry Jones](#) has done with the crown jewel of stadium naming rights, Cowboys Stadium.

Ben Fischer covers health care and law.