

The New York Times

This copy is for your personal, noncommercial use only. You can order presentation-ready copies for distribution to your colleagues, clients or customers [here](#) or use the "Reprints" tool that appears next to any article. Visit www.nytreprints.com for samples and additional information. [Order a reprint of this article now.](#)

PRINTER-FRIENDLY FORMAT
SPONSORED BY**June 18, 2009****ADVERTISING**

Nascar Sponsors Find Customers in Other Sponsors

By ANDREW ADAM NEWMAN

AFTER a day of business meetings in Charlotte, N.C., in May that brought together executives from Fortune 500 companies including [United Parcel Service](#), [Coca-Cola](#) and [Sprint Nextel](#), it was time to unwind. But the executives were not, as is their wont, transported to a golf course.

Instead, they were whisked to a setting decidedly less familiar to cufflink-wearers: a go-kart track.

It was the second year of the Aflac 200 [Nascar](#) Corporate Kart Challenge, and competitors flooring it on the straightaways were members of Nascar's Fuel for Business Council, a group of about 40 companies that are Nascar's largest supporters, each spending as much as \$25 million to sponsor drivers and races.

While Nascar often trumpets the high visibility enjoyed by its sponsors, whose logos festoon cars, as well as fans' fidelity to brands that bankroll drivers, one of the highest returns for companies' investments actually comes not from consumers but from other companies. The biggest fish some advertisers are reeling in, it turns out, are other advertisers.

Nascar formed the business-to-business group, which meets quarterly, in 2004, and these days is underscoring its value more than ever.

"In a down economy, sponsors are looking for every nickel to work harder," said Andrew Giangola, a Nascar spokesman, adding that more than one-fifth of Fortune 500 companies sponsor Nascar at some level.

Quarterly gatherings include speed meetings — similar to speed dating — where company representatives talk strategy in quick succession. Because attendees tend to be marketing and procurement executives, rather than their underlings, the meetings get results, with companies agreeing to drive business to one another and share discounts of up to 20 percent.

In 2007, according to Nascar, the Best Western hotel chain generated \$16.7 million in revenue through deals made with other sponsors. For example, Best Western hotels now buy office supplies from [Office Depot](#), use U.P.S. as their shipping carrier, and outfit employees in Cintas uniforms; those three companies, in turn, direct employees to book work-related travel at Best Western properties.

Another sponsor, [Ford](#), switched to U.P.S. and Office Depot as its preferred shipper and office supplier; in turn, those companies each promoted Ford discount programs to their employees. In 2008, some 1,800 U.P.S. employees and 100 Office Depot employees bought Ford vehicles through the programs.

-

Although it has grown strongly over the last decade, Nascar is hardly recessionproof. Television ratings and race attendance are down while struggling Detroit automakers, historically big supporters, are trimming Nascar spending by as much as 30 percent. Other sponsors have scaled back, too. Some, like Cheerios, withdrew altogether.

Others, though, are spending more than ever. After sponsoring races intermittently in previous years, Aflac, the insurer, decided in 2007 to sponsor the driver Carl Edwards, whose car now displays the company's duck mascot, drawing enthusiastic quacks from fans.

Jeff Charney, chief marketing officer at Aflac, said the company "has very firm metrics that we looked at with this sponsorship and we're hitting every one right on."

Along with the most obvious metric, reaching consumers, Mr. Charney cites relationships Aflac has forged with other sponsors. Beyond the quarterly meetings, he regularly sets up trackside meetings at Nascar races.

"It's a wonderful way to do business away from the boardroom," Mr. Charney said. "When I go to a race I don't have my business suit on, but I have my business mind-set and I'm ready to do business."

Mr. Charney said that insurance regulations restricted what he could reveal about the company's partnerships. But Mr. Giangola of Nascar said that among other deals Aflac had struck, the insurer was now part of the benefits program Office Depot offered its employees. He added that in turn, Aflac buys all of its office supplies from Office Depot.

Mark Dickens, a U.P.S. spokesman, said that when the company first became a Nascar sponsor in 2000, it conducted business with 40 percent of the other Nascar sponsors, but increased that to 90 percent today.

Mr. Dickens also said that Nascar drivers, perhaps more than other athletes, were willing to meet clients that U.P.S. took to events and to visit the company's offices to rub elbows with employees.

-

That potential to bolster employee morale also is being highlighted these days.

After the driver [Matt Kenseth](#), who is sponsored by the toolmaker DeWalt, won the Daytona 500 in February, he spent a few hours at the company's headquarters in Towson, Md., meeting employees.

The toolmaker's parent company, [Black & Decker](#), laid off 1,200 employees in January, and while the Nascar sponsorship no doubt struck some who were fired as an extravagance, racing fans among those who remained were jubilant.

"What Matt Kenseth was able to do for us internally in a down economy when we're going through a lot of challenging times is bring a lot of energy and passion back to the employees of DeWalt and to the brand itself," said Jon Howland, marketing director for DeWalt.

In their front lobby is an actual racecar — a backup for the Daytona 500 two years ago — which required a

wall to be removed and replaced. And employees favor DeWalt racing shirts, which can make a company meeting resemble a pit crew.

“I’m going into a meeting right now,” said Mr. Howland in a telephone interview on a recent afternoon. “I’ve got a DeWalt racing shirt on right now, and of nine people at the meeting, six of us are wearing DeWalt racing shirts.”

[Copyright 2009 The New York Times Company](#)

[Privacy Policy](#) | [Terms of Service](#) | [Search](#) | [Corrections](#) | [RSS](#) | [First Look](#) | [Help](#) | [Contact Us](#) | [Work for Us](#) | [Site Map](#)