



ABOUT SPONSORSHIP

for clubs and societies

Introduction

This guide has been produced to help clubs that are looking to secure sponsorship. The premise for this guide is to help clarify the process which you need to go through in obtaining a sponsor, reminding you of the responsibilities this entails, and ultimately protecting your student group. This Guide is for general guidance only – it is not legal advice. Please seek legal advice if you need it.

Within this guide are a few notes about sponsorship, the questions you should consider when approaching a potential sponsor and establishing an agreement.

Sponsorship templates can be found through a google search and there are some links at the end of this document.

The information in this guide combines information previously provided by RUSU Clubs Department, updated from the Clubs dept & information drawn from a guide by the Worcester Student's Union for its' clubs (Worcester, United Kingdom).

Important things to Consider:

Below are five key things to consider when looking to establish sponsorship for your club/society:

1. Sponsorship is a Two-Way Relationship

- Sponsorship is rarely “money for nothing” – a straight gift. Every agreement will be probably be a reciprocal deal (two-way). It will involve an exchange of some sort – something your club wants/needs from the sponsor and something the sponsor wants /needs from your club. The challenge is to make sure it your club doesn't give away too much for little return!
- Both parties to the Agreement (you and your Sponsor) will have a legal obligation to honour the Agreement or risk losing the sponsorship (and having to pay/give back anything received or even face legal action for damages etc.)

2. Keep it Simple and Realistic.

- The more straightforward your sponsorship agreement, the easier it will be to uphold.
- Don't enter into an Agreement if you are not confident that you and your club or society will be able to honour your end of the partnership.
- Remember, not everyone in your club and society will share your commitment, so think of your members and what they will be prepared to give in return for sponsorship.

3. Be in it for the Short Haul.

- Clubs and societies change each year with new members and new Board/committee members. As a result, what you are prepared to do for sponsorship, and indeed what you need to gain from it will change from year to year.
- It can be risky to commit to lengthy sponsorship Agreements, as in the future they may not seem such a good deal.
- It is much easier to renew a short- term contract you are happy with than break a long term one which no longer suits your needs.

4. Seek Common Goals

- As sponsorship represents a partnership, it is best to approach potential sponsors to whom you know you can offer something genuine in return.
- Think about companies or businesses which you and your club or society are regularly in contact with, or those who have similar aims to yourselves.

5. Protect your Club's, RUSU's and RMIT's reputation

- As of 2021, Clubs are not permitted to enter into Sponsorship Agreements with Migration Agents. This is to protect students from unscrupulous practice & poor-quality providers AND to protect Club Leaders from being sued by dissatisfied students who connect to such an Agent through a Club.
 - Other sponsors to avoid – Education Agents, Tobacco companies, alcohol suppliers, gambling establishments or services.
 - If you are unsure if your Sponsor would be considered acceptable, please ask your Clubs Officer for advice before you sign any Agreement with the potential sponsor.
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What the Sponsor can do for you

It's not all about the money. Although a financial contribution is what most clubs and societies will seek from their sponsor there are different ways a sponsor can help your club or society.

1. Provide Finance

The most obvious contribution a sponsor can make to your club or society is to give it money in return for promoting their business or organisation, for participating in your events or using their products.

2. Provide Equipment or Clothing

A sponsor may provide equipment or clothing for your club or society in return for their name being displayed on it.

3. Discounts

If your club or society or its' members are regular customers of a particular business, then you may be able to negotiate sponsorship in the form of a discount. This could be money off equipment or supplies ordered from a specific shop, a reduced admission price to events the club holds there, a discount for your club members, or a discount when hiring specific services or facilities.

4. Prizes/Give-aways

If your sponsor makes or distributes items or runs a business your club members love, the sponsor can provide these for you to offer as prizes to your members, to include in "goodie bags" etc. HINT: If your sponsor wants to "try out" new things on your members, unless they are majorly expensive or cool items you are confident your club members will love and will really benefit the club's reputation and membership, try and get these sorts of things as added extras – not as a feature item in your Agreement.

5. Guest Speakers & Industry Events

Sponsors may be willing to be a guest speaker at a club event, take part in panels, do Q&A events (Question & Answer), run workshops, host your club at their workspace to show members around. Industry sponsors may also like to participate in larger "Industry" events. For example, when a club or group of clubs invite different companies to set up a table/display so students can come and talk to lots of company representatives about the companies, the type of work the company does and employment opportunities available (and maybe make an impression and get an internship or job out of it!),

6. Offer Facilities or Venues

If your club or society has specific equipment or facility needs that cannot be funded by the Union or the University, then effective sponsorship for you may take the form of an Agreement for the use of a more tailored venue. A company may be willing to let you use their venue in return for promoting them or your involvement in their other activities.

What you can do for the Sponsor

It is important to remember that as a club or society you can offer much more to potential sponsors than just a t-shirt with their logo on it. So, be prepared to use your imagination and strengths of your group to find something that can benefit both your club or society and any potential sponsors. Check in with similar clubs about what they offer their sponsors – similar clubs at other Unis may have the same sponsors – see if you can find out what they get!

1. Advertising/Promotions

- Helping to get a company's name into the student community is the most accepted form of sponsorship. Your Club can reach a lot of students (or a smaller but specific group of students)!
- This can be done through displaying the sponsor's logo on club clothing, the club social media channels, on promotional material for club events or flying a sponsor banner at an event.

2. Attendance

- As a collective, the business brought by just your club members can give businesses quite a boost.
- If your Sponsor is a Venue, restaurant etc, holding a certain number of club events there can be considered a significant contribution to a Sponsorship Agreement.
- Remember that RUSU clubs may not book space on campus for sponsor events but you can invite them to attend your events as special guests, guest speakers etc. Or the sponsor can host events at their offices etc. And, if your sponsor attends your online events, breaking the campus

3. Aiding with Promotions

- Young, enthusiastic, vibrant people like club leaders can be great ambassadors for businesses or companies. If your club or society is of an artistic or creative bent, an effective form of sponsorship may be to agree to perform at or be involved in a company's events or promotions.
- Just offering the services of your members to help publicise your potential sponsors could prove valuable.

4. Involvement in Activities

- The experience and knowledge of your club and society is another valuable commodity and you may be able to offer this to potential sponsors for the benefit of your group. For example, if you are working with an external venue, you may be able to get the use of their facilities at a reduced rate if you agree to offer your experience to help with their other activities, such as coaching community groups.

What Not to Do

In addition to the advice listed above there are also three facts of which you must be aware of when looking for sponsorship.

1. Be unprepared.

Have a Sponsorship plan, do your homework and make the best impression you can – potential sponsors are not only a benefit to your club, they could be a contact for future placement and/or employment.

2. No Contract, No Sponsorship

This guide and the steps identified in it are designed to help safeguard you from unfair and unreasonable sponsorship tie-ins.

3. Accept all sponsors without considering the implications to reputation.

To the world, your sponsors reflect the club, the Student Union, and the University. Sponsors that have a poor reputation in business or in the community in general, put your reputation at risk too. Sponsors engaged in business that competes with RMIT (for example, other education providers) will not win your support at RMIT. If in doubt about a sponsor, check in with your Clubs Officer.

4. Offer something you're not permitted to give.

- Clubs may not book space on campus for sponsors, allow sponsors to attend Clubs Day or similar University events or come and set up stalls/booths at RMIT. Your sponsor can attend a club event on campus as a guest but may not engage in any sales.
- Sponsors may want your club membership lists so the sponsor can contact your members directly. Unless members give you authority to give their details to sponsors, it is illegal for you to do so.

Maintaining Your Agreement and Sponsor Relationship

- Signing a sponsorship contract is the start of a commitment and it is important that you do your best to maintain your agreement with a sponsor. The more pro-active you are in working with your Sponsor the more likely they are to work with your group in the future.
- Honouring your commitment is vital to this, but doing a few extras also helps. A thank you letter when the Agreement is signed or when money or services are received is a good start, as are pictures of events and examples of Sponsor's money, logos, or donations in action.
- Your Sponsorship Agreement might be short term but if you develop a good relationship with good sponsors, they will be more likely to sponsor your club for many years to come.

A Step by Step Guide

To help you through the process of finding and securing sponsorship here's a step-by-step guide

1. Your Club Board of Management sets some parameters for its' Sponsorship.

- Before any of your Club's team start contacting potential sponsors, your Club's Board of Management should provide a framework for its' sponsorship goals and processes.
- Such a framework might be based on what your club needs:
 - If raising support for a specific event or activity, what do you want /need?
 - If your club is just needing extra \$ so the club can do more, set an annual target (start small).
 - Be flexible about what you want from Sponsors – set the goal too high and you may not get any Sponsors. Set it too low, and the Sponsorship won't really provide your Club with much benefit.
 - How many sponsors does your Board think it can manage each year?
- If the Club has had Sponsors before:
 - What sponsors has the club previously had and what benefit did it offer the club?
 - Was the Agreement a benefit to the Club?
 - Can you ask for more or reduce what the club exchanges for the sponsorship?
 - Were previous sponsors hopeless /not meet their end of the Agreement, so you need to stay away from them this year?
- TIPS:
 - Set a minimum and ideal target – so your Team Members who are negotiating Agreements have some room to move.
 - Have a clear Sponsorship Agreement approval process – all Agreements must be formally approved by the Club's Board of Management. If negotiators know when Board Meetings are to be held, they can have Draft Agreements ready to fit into the approval timelines more easily.

2. Find your Sponsor/Contact Previous Sponsor

The first step is to identify potential sponsors or contact previous sponsors.

For new Sponsors:

- Think about companies you use regularly, those to whom you can offer something in return or simply local businesses who may welcome the exposure.
- If you are an academic/industry base club, contact companies related your area. Linked professional originations can also be a source of sponsorship. And, ask your Program Manager or the relevant RMIT School/College “Belonging” or “Student Experience” person if there are funds available to help clubs
- Check out similar clubs at other Unis to see who their sponsors are (they may also want to sponsor your club or at least it will give you an idea of what sort of sponsors may suit your club)
- Ask the other leaders in your club, club members, teachers etc if they have any sponsor contacts

For previous sponsors:

- Ideally, your club has maintained a good relationship with its’ sponsors and the previous club leadership have connected the sponsors up with the club’s new leadership team (so the process for this year is already started). If not but you have sponsor contacts, go to Step 3 below.
- If you’re not sure about previous sponsors: Check club records (including Club bank account, annual Finance Reports and club email) to see who has sponsored them before.
- If you can’t find any info about previous club sponsors, ask your Clubs Officer if they have any records about it).

3. Introduce Yourself

Once you have identified a suitable new or previous sponsor, or sponsors, the next step is to introduce your club or society to the. The most effective way of doing this is to send a letter (or email) including a proposal detailing who you are and what you are after. You can find templates of both these documents at the end of this guide which you can amend to suit your own student group.

4. Prepare your Proposal/Review the Sponsors Proposal

- Remember to keep your proposal simple and realistic, as this is just an introduction after all.
- If a Sponsor has contacted your Club about Sponsorship, ask them to provide a proposal in writing.
- If you know this Sponsor also sponsors other clubs, try and find out what they are offered!
- If you’re concerned the Sponsor wants something the Club can’t or is not permitted to provide, check in with your Clubs Officer.
- If you’re not happy with a Sponsor’s Proposal, see if the Sponsor will negotiate. This may be the point you need to when you decide whether this Sponsor is worth the effort.

5. Meet with the Sponsor.

- Arrange a meeting with the sponsors to discuss your proposal. This gives you a chance not only to meet face to face but also to discuss other options that may not have been considered in your/their original proposal.
- If you are happy with both what the sponsor is offering you and what your club or society is offering them in return, then progress to step 6.

6. Draft an Agreement

Your Sponsor may want to use an Agreement template of their own or you can create one. Template can be found via a Google search & check the Resources listed at the end of this doc. Other clubs may also have standard Agreements they are willing to share.

Basic features of a Sponsorship Agreement include:

- Clear specification of who are Parties to the Agreement (the Sponsor and the Recipient – name of companies/organisations and addresses. If a business, their ABN etc.)
- The Sponsorship Period (start and end time of the Agreement)
- What the Sponsor agrees to give to the Recipient, how they will give this, and any timelines involved – note, if this is money, include whether this is GST inclusive or not)
- What the Recipient agrees to offer in exchange for the sponsorship, how they will give this, and any timelines involved
- Any other conditions related to the Agreement. For example, Sponsor is not permitted to use RMIT or RUSU logo etc., Sometimes, Recipient may not be permitted to take on any other Sponsors in the same line of business as this Sponsor etc.
- Signatures of those signing on behalf of the Sponsor and Recipient including their names clearly printed underneath and their role in their Company/Organisation.
- If you are unsure if your club is permitted to provide what the sponsor wants, check in with your RUSU Clubs Officer.

7. Get the Draft Final Agreement approved by your Club's Board of Management

- All Club Contracts should be formally approved by your Club's Board of Management.
- Even if you are a member of the Board, the voting members of the Board must be able to review the Agreement and approve or reject it.
- This approval/rejection (and, if rejected, why) must be recorded in the Minutes if a Board Meeting and include who is authorised to sign the Agreement on behalf of the Club.
- It is advisable that the Board provide a range of options for any changes required – for example, if they want the amount of Sponsorship money to be increased, they should provide what they would like and what they are willing to accept – so is room to negotiate.
- TIP: Have a clear framework as per Step 1 so having to reject and re-negotiate is kept to minimum

8. Complete the Sponsorship Agreement

- If the Board (or RUSU) required some changes to the Agreement, you will need to contact the Sponsor to talk it through with them and get their OK or re-negotiate.
- Repeat Step 6 & 7 as required.

9. Get it Signed.

- Lastly, to make it official you need to get your agreement signed by your approved Club Rep and the Sponsor's Rep.
- Two copies should be signed – one for your club and one for the Sponsor.
- Contracts really should be signed in “wet ink” – with a pen, not an electronic signature. Your Sponsors may be OK with electronic signatures (or they may be the only way to sign contracts in some situations e.g., COVID lockdowns!) but get it in writing (email) that both parties are OK with this.

Further information

- <https://www.greenwichsu.co.uk/pageassets/activities/handbook/finance/sponsor/2015-SUUG-Guide-to-Obtaining-Sponsorship.pdf>
- https://www.ourcommunity.com.au/financial/financial_article.jsp?articleId=1744
- <https://sponsorshipcollective.com/definitive-guide-sponsorship-proposal/>
- <https://practicalsponsorshipideas.com/create-a-winning-sponsorship-proposal/>