



Staff Report Item 15

TO: East Bay Community Energy Board of Directors
FROM: Annie Henderson, VP Marketing & Account Services
SUBJECT: Oakland Roots SC Climate Justice Partnership
DATE: April 21, 2021

Recommendation

Authorize the CEO to negotiate and execute an agreement to sponsor the Oakland Roots Sports Club as the official Climate Justice partner

Background and Discussion

Oakland Roots is the first, Purpose-driven professional sports team in the United States. They have one of the fastest-growing brands in American sport. They are seeking equally bold, community-focused partners and are actively working to play their part to become one of the first professional sports teams in the world to be climate positive.

The Roots' approach is to celebrate and elevate the best of local talent, support social and environmental justice, and keep the Bay Area healthy, inspired, and connected during challenging times. Working with established and respected community organizations, they have created six core programs targeting different areas of impact in 2021. Every partnership combines sponsorship opportunities with community impact, creative storytelling, player integration, and employee engagement.

EBCE is a founding partner of the Roots, sponsoring since 2018. As such, we have been presented the first opportunity to be a partner under their new pillared initiative. EBCE will be the "Deeper Roots" partner with sponsorship of programs to promote sustainability, clean energy, and climate justice throughout the East Bay.

Details of the partnership and promotional opportunities are included in the presentation.

Financial Impacts

FY 20/21 - Already committed \$50k

FY 20/21 - Additional commitment of \$250k

Next two years - \$300k/year

Potential to offset cost by promoting opt up to Renewable 100 as part of the partnership.

Attachments

- A. Roots Partnership Presentation

APRIL 21, 2021

Roots Climate Justice Partnership



Background

- EBCE is a **founding partner** of this community-focused local sports team.
- Roots is the first, **Purpose-driven** professional sports team in the United States, with one of the fastest-growing brands.
- They are seeking equally bold, **community-focused partners** and are actively working to play their part to become one of the first professional sports teams in the world to be **climate positive**.



More on the Roots - beyond Soccer

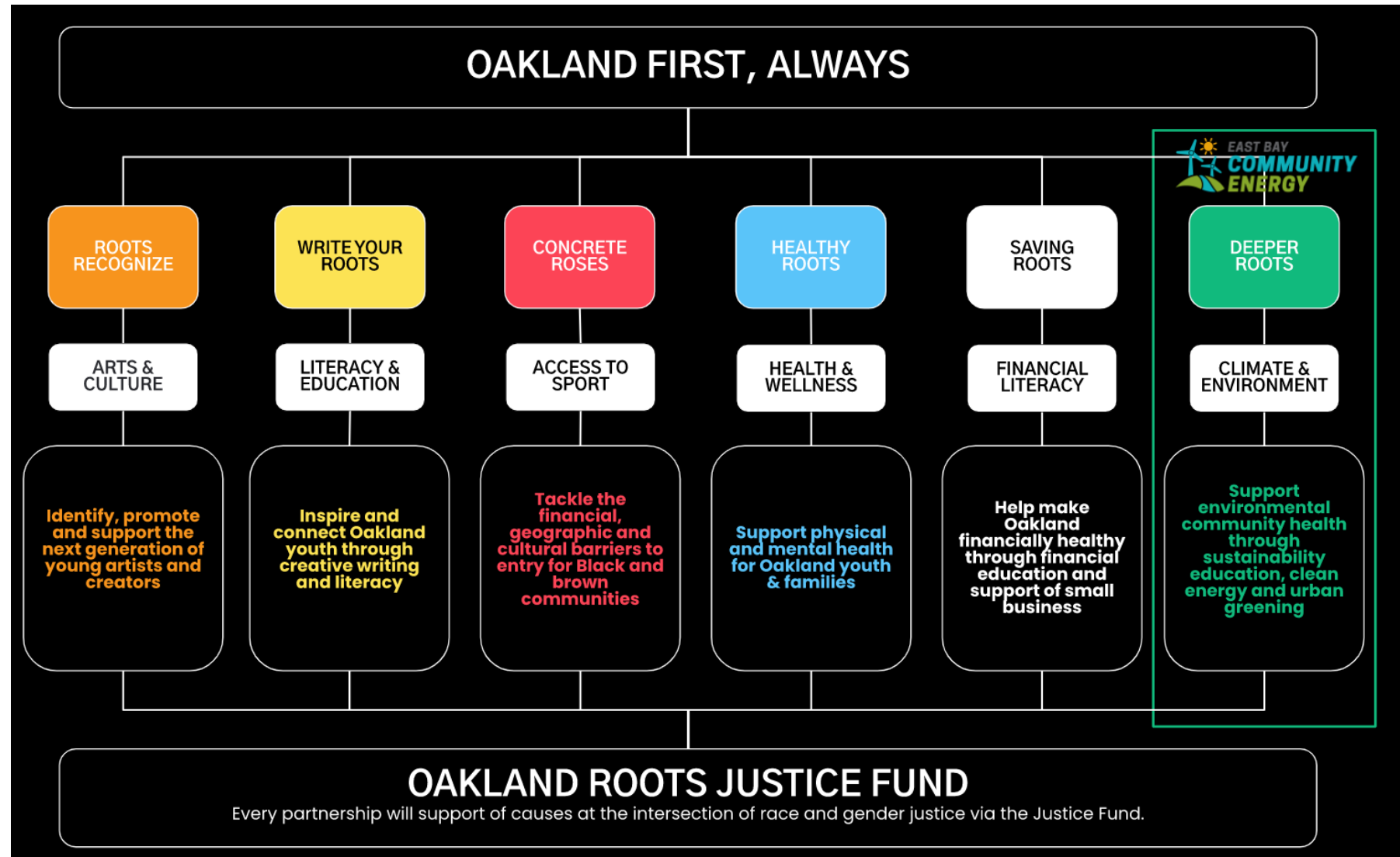
- Partnered with EBCE to produce and distribute nearly 8,000 **masks** during the pandemic to groups such as Building Opportunities for Self-Sufficiency, East Bay FeedER, Eden Area Interfaith Council, Creating New Hope, and Daily Bowl.
- They created **educational content** and coloring worksheet for kids during the initial shelter-in-place, called Lil' Acorns.
- Roots have an **artist-in-residency** program to work with Bay Area artists to collaborate on creative projects.
- Their merchandise is primarily sold at the **local small business**, Oaklandish, with shops in Oakland and Emeryville.
- They have partnerships with **36 local youth soccer leagues**.
- Their founding partner sponsors are mostly **local brands with a social mission**, such as Oaklandish, Ale Industries, Purity Organics, Gig Carshare, Little Giant Ice Cream, and Kaiser Permanente.
- They hosted the **Justice Match** in October 2020, to raise awareness about gender and racial equality, equity, and economic justice.
- They run the Oakland Roots **Justice Fund**, a charitable fund to support racial and gender justice.
- They are partnering with local 2020 Grammy-award winner for Best Contemporary Blues album **Fantastic Negrito** to release a musical anthem.



Climate Justice Partnership

“Deeper Roots” pillar sponsorship

- \$300k/year for 3 years
Total commitment \$900k
- \$50k already committed to 2021, so first year additional commitment is \$250k



Deeper Roots

Program to promote environmental sustainability and climate justice in the City of Oakland and the East Bay. As the presenting sponsor of this pillar EBCE assets include, but would **not be limited to**:

- Community greening program featuring tree planting and education
- Food justice and education with local non-profit Planting Justice
- Soccer equipment recycling program
- Digital storytelling series focusing on clean energy and community sustainability issue with the Roots players and local partners and school
- Presenting partner of Oakland Roots Initiative to become one of the first professional sports teams in the world and the first in USL Championship to be **climate positive**

Summary of Deeper Roots Promotional Opportunity

Logo and Player Integration

- Back-of-jersey branding
- Logo on game day match program and website
- Participation in game day events
- Player integration for marketing effort/event/video

Game Title Sponsor (such as “EBCE Opt Up Night”)

- Presenting Title Sponsorship for one home game
- Four days of Roots website “takeover”
- Give-away opportunity
- Included in press coverage and advertisements

Game Day Branding

- Info booth at games
- Field and building signage for home games

Additional Items

- Season tickets (can be used as customer give-aways to promote various calls to action)
- 1% of sponsorship fee donated to social justice organization



Additional Promotions

TV Commercials:

- Two 0:30 commercial spot on ESPN+ in 2021 and one in 2022 and 2023 to promote clean energy, sustainability and climate justice program. If KOFY and TeleXitos are able to provide any commercial spot inventory, will allocate a 0:30 commercial spot on that network as well

In-Game Read:

- Two 0:10-15 in game reads in 2021 and one in 2022 and 2023: "It's time for a corner kick, powered by East Bay Community Energy. East Bay Community Energy, providing greener power at lower rates. Visit ebce.org to find out more!"

Logo/Brand Visibility:

- Include a logo ticker on the clock wrap with EBCE logo for a min. of 10 minutes for all games on ESPN+ in all 3 years
- For every goal scored, Oakland Roots will donate \$510 to the cutting-edge carbon offsetting tree planting initiative on behalf of East Bay Community Energy and progress will be displayed in real time on the scoreboard in the stadium and can be integrated into the broadcast as well
- As other broadcast and scoreboard integrations and storytelling opportunities come up we can collaborate on what this looks like and highlight the latest sustainability and clean energy initiatives, programming and progress
- Dedicated landing page that lives on Roots website year-round under the 'Justice' tab and title the drop down 'Climate Justice'. The page will be all about 'Deeper Roots' clean energy and sustainability presented by East Bay Community Energy

Press:

- Major partnership news release each year including another one this year featuring the innovative climate positive program presented by East Bay Community Energy



Reach and metrics

- **KOFY TV:** 6.5M viewers in Bay Area
 - Close to deal with TeleXitos for up to 5 home games.
- **ESPN+:** 12.1M subscribers
- **Game Day Capacity:** ~5,000 - all six 2021 home games on pace to sell out
- **Social:** Facebook: 5,780 followers/Instagram: 22,500 followers/Twitter: 9,600 followers/LinkedIn: 2,210/YouTube: 909
 - ~1M impressions/month on average across social channels
- **Youth Network:** 20,000+
- **Email list:** ~10,000
- **Roots Website Unique Visitors/Pageviews per year:** ~150,000 / ~500,000
- **Jersey sales:** ~\$2M projected in 2021, ~\$2.5-4M in 2022-2023
 - Assume \$100/jersey = 20,000 jerseys in circulation
 - Sold via online, Oaklandish stores (social following 200k+, 3 stores in Oakland, 1 in Emeryville), pop-up at Oakland Airport (13M visitors/year), and at home games
- **Partner Reach:** PUMA (10M+ followers) & Influencers, Pandora email blast (~500,000 users in the bay area), Visit Oakland etc. New investor and NFL star, Marshawn Lynch, announced 4/16, will conduct a media shoot along with other investors that we bring on board after the big announcement.
- **Net Promoter Score:** Roots have an NPS Score of 86 which is considered World Class and means that fans and community love the brand and mission

Additional Reach

Ticket and Merchandise sales - top 10 geographic areas:

1. **Oakland**
2. **Berkeley, Emeryville, El Cerrito, Albany, Piedmont**
3. Alameda
4. **San Leandro**
5. **Hayward, Castro Valley**
6. **Union City, Fremont, Newark**
7. **Pleasanton, Livermore, Dublin, San Ramon, Tracy**
8. Richmond, San Pablo
9. Walnut Creek, Concord, Pleasant Hill
10. Benicia, Martinez, Pittsburgh, Antioch

Local Press Coverage

- East Bay Times
- SF Chronicle
- SF Gate
- Mercury News
- Oaklandside
- NBC Sports Bay Area
- And Beyond:
 - ESPN
 - The Guardian
 - Sports Illustrated
 - Bleacher Report
 - The Athletic
 - Yahoo

Youth Clubs

Currently partnered youth clubs within EBCE

Name of Club	City
Castro Valley SC	Castro Valley, Hayward
EBOTS - Bay Area Over Thirty Soccer	Oakland
Fremont Youth Soccer Club	Fremont
Livermore Fusion	Livermore, Pleasanton, Dublin, Tracy
Montclair SC	Oakland
Newark Soccer Club	Newark
Oakland FC Leopards	Oakland
Oakland Genesis Soccer Club (OGSC)	Oakland
Oakland Soccer Club	Oakland
Spurs FC	El Cerrito, Berkeley, Albany
Union City Premier	Union City

Chart shows the top city, however, the clubs serve families throughout the respective region.



Youth Clubs (con't) and Other Local Reach

Previous club partners within EBCE territory

Club	City
Piedmont SC	Piedmont
SACYSL	San Lorenzo/ Hayward
San Ramon FC	San Ramon, Pleasanton, Livermore, Dublin, Tracy
Hayward Youth Soccer League	Hayward
Association Football Club	Oakland
East Bay United Bay Oaks SC	Oakland/East Bay
Soccer Shots	Oakland
Sheriffs FC	Alameda County
Mavericks Soccer Club	Alameda & Contra Costa Counties

- Currently working on renewals for inaugural season in USL Championship
- Working on **another 20+ clubs** (both youth and adult) in 11 jurisdictions around EBCE service area
- Also developing **network of school districts and community organizations** throughout the East Bay including Dublin Unified School, Hayward Unified School District, San Leandro Boys + Girls Club, and CSU East Bay
- Working on relationship with **local retail chain** with locations in Berkeley and Dublin
- The team trains at **Las Positas College** located in Livermore, and occasionally use a practice facility located in Newark.



Demographics of Fan Base

Good target market for certain programs such as Resilient Home

Ethnicity

- 62% LatinX, African-American, Asian
- 38% Caucasian

Age

- 60% are 25-54

Average Household Income

- \$150,000-\$199,000

Gender

- Male 60%
- Female 38%
- Unknown 2%



Other Ideas for brand awareness

- Promotion as “Deeper Roots” sponsor will increase customer awareness and increase program participation
 - Website, social, jersey branding, in-game branding, cross promotion of events
 - Critical role in helping first ever sports team be Climate Positive
 - Leverage communication channels of networks developed by Roots organization (investors, partners, youth clubs, CBOs, etc.)
- For Presenting Sponsor night – highlight Resilient Home or Opt Up
- Create outreach, opt up, or other campaigns through Youth Club Network
- Community outreach partnership expands CBO reach and access
- 1% Common Goal contribution could possibly go to some other local climate focused group
- Partner with other sponsors for employee outreach
 - Founding partners include Kaiser Permanente (~3300 employees in Pleasanton), Pandora (~2000 employees in Oakland), and Fremont Bank (500 employees)

Potential ROI – Debt Forgiveness Example

Outreach leading to increased AMP sign-ups and full-year participation results in:

- customer debt forgiveness, and
- repayment of EBCE uncollectible debt through Public Purpose Programs Charge

Jurisdiction	Eligible Count	% of EBCE Total	Estimated Debt Forgiveness*
Oakland	6334	47%	\$1,995,210
Hayward	1928	14%	\$607,320
Uninc. Alameda County	1500	11%	\$472,500
EBCE TOTAL	13,338		\$4,201,470

* Based on assumed \$315/customer arrearage

Potential ROI – AMP Participation

	Low	Break Even	Reasonable
AMP Participation	1000	2857	3500
Estimated Debt Forgiveness	\$315,000	\$900,000	\$1.1025M
ROI	-65%	Break Even	22.5%

Assumptions:

- Assumes average debt of \$315
- Assumes all participants remain eligible for 12 months for full debt forgiveness

Potential ROI – Opt Up Example

	Renewable 100 Sign Ups		
	Annual ROI	YoY Increase	Conservative
Year 1	6000	2500	1000
Year 2	6000	3200	2000
Year 3	6000	4100	3500
Total Sign-Ups	18,000	9,800	6,500
Total Return Year 3	\$1.8M	\$900k	\$525k
ROI Year 3	100%	Break Even	-42%
Additional Return by Year 5 <i>(Grand Total)</i>	\$1.8M <i>(\$3.6M)</i>	\$980k <i>(\$1.88M)</i>	\$650k <i>(\$1.175M)</i>
ROI Year 5	300%	108%	31%

Assumptions:

- Marginal annual value add of Renewable 100 Residential Customers: \$50
- No change in marginal annual value
- Sign-ups stay at Renewable 100 level through year 5



How to measure

- Run customer awareness surveys throughout promotional period
- Add “How did you hear about us?” to surveys and CSR script
- Specific landing page
- Web analytics for traffic from Roots page
- Opt Up #s
- Opt Up code similar to previous campaigns
- AMP Enrollment
- AMP landing page and tracking codes
- Metrics from Roots on open and click through rates on emails with EBCE content

Considerations

- Expands reach to promote programs
- Compliments other marketing and outreach efforts
 - Baseline Brand Awareness Marketing: ~\$200k/year - on-going social, digital, print, and TV advertising and outreach
 - Hyperlocal Sponsorships: \$45k/year for small grants to local organizations supporting youth sports, STEAM education, food security, and other community-based activities
 - Event Sponsorships: ~\$50k/year - Habitat for Humanity, County Fair, Bike to Work/Wherever Day
- Aligns our brand with a rapidly growing partner that has the same community-driven approach as EBCE
- Locks in sponsorship payment level while team's reach and community efforts expand year over year

