

Sponsorship Mastery Week 5

Contracts.

Yeah

, obviously something

that also we're gonna

have

to cover in the course

really

gonna have to be a

basic

understanding but you

know, because

obviously

people's jurisdictions and

things are

going

to be

, are

going to be different.

But contracts

massively

important.

Yeah.

We have a

contract.

Most contracts

not

worth

the paper they're written

on and you can

just

leave

them whenever you like.

But be

very

careful

about what you sign.

Most things generally don't

happen until you get part of

a larger team, I don't think.

And most contracts with

sponsorship generally don't

exist till

again

you get to

some larger amounts of money.

You know,

sometimes

if

you're selling poor, you just

write an

invoice

receipt
for someone giving you
a couple of
thousand
quid
and that's an income.
You know it
just
goes as part
of your wage I guess.
You know there's
personal
sponsors but sort
of team contracts wise, it's
always
good to get
someone
to look over it.
You know there's plenty of
other
teams about
if
you're
,
if you're worried that
it's worth looking at.
But to be honest, unless
you're in
Supersport
Superbike, there is no
real
need for a contract.
And it's
only
then because most
of the time when
you're
at that level it's because
you're
employed
by the team.
Theoretically
they're paying
you a monthly wage or whatever
so you're
pretty
much employed
and you know there are, you
must appear
four
times at the
NEC

obligations and stuff like
that.
And you must
not
say this and
if you do we'll withhold
your
payment
and there'll be
penalties and
also
again on
with that I guess there's
also
bonuses that come with
that.
You know
, if you get in the
showdown or you finish on
the podium every
weekend,
there's a podium bonus of
50
quid or 5,000 quid or
whatever and if you win the
championship,
all
that kind
of stuff.
So there's some
good
parts to it.
But even with, even with
that, and
even
some
of the
bigger
teams people
struggle to get paid.
I guess if you, for
most
of it,
if you're accepting that kind
of
money,
you've got to be
some kind of self
employment
or set up that kind of way.
Which with
accepting

any kind
of money in writing them an
invoice or
at
least a
receipt

to
say, you know,
that you will
supply
those
tickets, that's
probably
more legally binding than an
actual contract.
It might be interesting
but I Don't know how
many have
actually,
you know, declared self.
I mean I'll ask the question
because
most
of them don't
to be fair, especially when
you're starting out, you
just pay that
1500
quid and
put it in your, you know,
your piggy bank, don't you?
Yeah.

And
things
like that.
But
again
that from the company
side of things they're
going to want
something.
From the sponsors side of
things they're going to want
something
to be able to show
what that
1500
could

be.
Yeah, yeah,
exactly.
And

obviously
most people
are just, even if they're
self employed
and
not
back
registered so there's no
VAT
involved,
you
know.
But
again
the company will
have to show that so they'll
want a
receipt,
you
know, that kind of thing.
But I guess it's
just
like,
you know, you selling your
car to someone who turns up
with
1500
quid in cash, you
just
write
them
a receipt
and then, and that's it,
you know, it doesn't
necessarily be an invoice
does there?
Just
a receipt for it.
But yeah
, it's pretty.
I mean I didn't
,
I didn't get
self employed till much later
on so
Yeah
but most
of my sponsors at the time
paid for things
directly.
They paid
four

things for you.

Yeah

, so I had a

track

like

traffic

transport company

is

a good

one

because they pay

for like tires and fuel and

obviously

they just go

straight

through them and

they claim that back like

they would be putting in a

truck or

whatever.

Yeah

, yeah.

So a fuel card or

something's

perfect, you know.

Yeah,

exactly,

that kind of

thing, you know, or you know,

Europe

car give you a car

to drive

around

in, you know,

that kind of stuff.

With a fuel card or you know,

it doesn't really cost them

anything but

actually

does

you a massive favour, you

know, supplies you a van,

your

local

hire giving you a

van for the year to

just

run

about in.

I'll have to look back

at what we did with

Sam

Wilford because he got
£15,000
from a sponsor a couple
of years ago and he was
back in the
UK
then.
I'll
just
have to see
what we did.
We
definitely
gave them
something because the company
definitely
needed
some paperwork but he
wasn't self employed.

A
lot of time you can
just write, you can write
a receipt, can't you?
Yeah, yeah, we
probably
did make an invoice
for them to be
honest.

Yeah, you know,
racing
name
type thing, you know.

Yeah
, you know.
Yeah, yeah,

a
lot of time.
They just
, they just
want something as a paper
trail, don't they?
But as long as their accountant
sees that

15
grand's
gone out and there's a bit
of paper that says you gave

15
grand to this person.

Yeah.

Their accounts are
not

worried, are they?
Yeah, exactly.
I think it's
just
some
form of traceability.
Yeah.
Lots of the, lots of the kids,
like,
Ollie
Walker
and that, they've got like
a separate bank
account
that
they put racing money into.
So those, you know, say,
you turn
around
and say,
oh, I want to give
him
100
quid a month.
You
just
have his bank
details and you stand
in order,
100
quid a month
right into his bank.
And
then,
you know, that
gets used for racing.
A
lot of them do that.
I think it would be a
good
thing to have them
a self employed
or a business
kind
of set up.
But it's
very
difficult
because when you're sort of
that age
, you're going to
work down your local subway,

aren't you, or something on
a Saturday and you're
employed as
well
as being
self employed.

Hard
work.
I mean, I'm
40
years old
and I still struggle
to do self
employment

.

Tell me
about
it.

But, but, and
also
most
of the stuff just goes through
the parents, doesn't it?

So that's.

The parents are paying for this
and

all
you're
really
trying
to do is help the parents,
aren't you, at that age?

Yeah, yeah,
exactly.

Yeah.

I think there's lots
of

different
factors
to that, I guess.

Yeah.

Ollie,
if

he

got a sponsor,
he'd probably be,
you
know

, it'd just be his
dad that ended up,
you know, transacting with
the sponsor, wouldn't it?

Yeah
, yeah.
Okay
, so we're back and we're
going to have a
look
at how we get them to yes.
And that's
exactly
what
we want to happen.
To have them
moving
to yes is
exactly
what we
want them to happen.
But it can
also
be a time
for anxiety because up until
now it's
all
been fantasy
and theory and, you know, what
ifs, whereas now it's
real.
Somebody's gone,
right,
I want
to give you some money.
So we've got to
deliver,
we've got to now stand up
to some
extra
obligation.
Last year you were
just
looking after yourself.
Now
you've
got to look after
a sponsor as
well
as yourself.
So there can be a
little
bit
of
intrepidation
here

and feeling of nerves.
But what
you've
got to do is
you've got
to
keep
busy
and keep that momentum going
and you've got to get
straight
in to creating your contract.
As
soon as you've got
a yes, you want to get
that
,
contract across to them
as fast as you can.
Because we never know
what else is
happening.
We
never
know that,
you
know, they go and write
off a truck that night and
the
budget
that they were
going
to have
, they're
going to have to spend on
the truck.
You know, we just don't know.
So what
we've
got to do is
try and get this deal
signed as
fast
as possible.
So keep busy, don't get too
nervous, don't get too much,
you
know, overthinking.
Just
literally keep yourself
busy, keep the momentum.
Thank them.

No
problems.
I'll get.
I need these
details.
So let me know all the
company
details and I'll get
a contract
back
to you.
That's how your
response
needs to be.
And this is
basically
what we're going to do.
And now
we're
back, we're
going to have a look
at how we do the
contract.
So this is
actually
a contract
that we used, again
with
Sam Wilford,
where
I've taken out the
details,
but we can use this.
And
below
this video
is the actual download.
So you can use
this
and you can
copy and paste it and rewrite
it yourself,
whatever.
So
literally
it's a commercial
partner contract.
We want to put our
logo.
So our logo is a
racer,
our logo,

you know
,
a little picture of the.
On the bike, whatever
you
normally
use.
And
then
their logo,
Never, ever,
ever
mess with their logo.
Don't resize it, don't change
the colour of it, don't
squeeze it to fit, get a
good
copy of it off their website.
Or off
Google.
If you put in their
company
and logo png you'll
probably
get a good version of it.
They're
very
common to have.
If
not
send a message
on LinkedIn to the marketing
manager and ask him for the,
ask him for the
logo.
But it's
nice
to have both
your logos on the contract.
But as I say, don't
mess with it.
Don't make
a
inferior copy
of it because that will
really
insult them because as we
said before it's
their
baby
and the logo is their baby.
So don't mess with it.

So the, the
first
thing is
commercial partner
agreement

.

This commercial partner
agreement
is made and entered
into as of and
then

today's
date by and between.

So your team
name.

If you're a team
running,

you
know you might be an
individual
but we call
yourself a team or you might
be a

personal
name that's
riding for a team and this is
a

personal
sponsor.

Nothing
that's going
to the team.

So it's
important
that you
get the right name in there
so, so that you haven't got
any issues with anybody
pretending
that that should
be coming to anybody else or
for anybody else entering
name the race series
championship
and
then
the
company's full name.

So
again
their full name ending
in

limited
, ending in
brothers or sons or whatever
it might be their
full
name.

As part of this
agreement
their company name has
agreed to provide
financial support to
again
your team or your
personal
name subject to the terms
and conditions laid out in
this
agreement

.

So the agreement period
is the
first
aspect.

So this
agreement
shall be
deemed to be
commencing
on and it's today's date.

So you
just
put in today's date
and shall continue
until your
agreed
end of date.

So you will put in the date
probably
going to be the
last
race of your championship.

So October
30th
or whatever
is probably going to be.

That's
when you agree for it
to finish which would be
the
last
round of the season
and

just
put the date
in the agreement fee.
The sponsor agrees to pay
a
sponsorship
fee
of whatever the amount is
per annum
Excluding
vat.
Again if you're
VAT
registered
most people aren't going
to
be
VAT
registered as a racer so
best to keep it clean and have
it as
personal
funds as
opposed to going through your
company
and the those types of
things.
But
again
you might need
to take some tax advice.
If you have got a company
as
well
as or you've
created a company for
your racing
then
it's a
little bit different,
you're
just
putting it
into that company.
You
are
going to
then
have that
amount known as the
fee

,

sent to the bank account that
you nominate later on.

It's

not

in the agreement,

but you just contact them

with your bank account

invoices

are to be sent to.

So

then

you agree again, this

will be through your

contact,

through your calls, through

whoever, who will be the point

of contact for the

invoices.

So is it the marketing

manager

?

Is it the

accountant

?

Is it the managing

director

?

So you've got their full

name,

their

job title

and the

full

address.

So

there's

no, oh, well, that

guy left and he was dealing

with you and, we don't

know who deals with it.

Now

, you've got to make sure

that you've got

real

solid

connections here because you

will find that

maybe

somebody's left their job

and if they were the

only

person that you rang to say,

yeah, can you organise that
next
payment
?

Yeah, yeah, mate,
I'll get it
done.

And there's no paperwork
to back it
up.

Somebody
else joins that
job and you might have a bit
of a
problem
trying
to get them to fulfil the rest
of their,
agreement.

So, so make sure
that,
it's,
all down in
writing
and you're
going about it in a formal way
rather
than an informal way.

Then
the company name
their benefits.

In
return
for the fee laid
out in point
2,
the recipient
shall provide
full company name
again
with the following benefits.

And
then
we list the benefits
that were agreed.

So if
they're
a level
three,
we're listing those agreed.
Benefits.
If they're a

gold
sponsor, we're
listing
what we've agreed.
So again
, nobody can go.
Well, I
thought
we got to go
and watch from the, you know,
from the, from the tower
every, every race
weekend.
No, it's
not
in the agreement
that, you know, we
never said that and that
that won't be available.
You've got to be
firm
but fair.
But you've got to be in a
situation
where you're
not
over promising and you're not
in a position where you,
delivering something that
you've never
actually
charged
for and you've never
actually,
you know, expected
to have to deal
with.
So in this case it's
partial
leather branding helmet
branding,
partial,
motorcycle
branding logo on both sides,
partial teamwear branding,
Social media association.
Two
Silver Pass entries
at all rounds.
Corporate hospitality arranged
and charged
separately.

So they did want to inquire
about
bringing
their team
to the race weekend,
but they didn't want to commit
to it in the
contract.

But we put it in there
saying,
okay,
if you want
to do that, we can
definitely
facilitate it,
but we need advance
notice, and it will be
charged
separately
and
we'll
charge
it at the
time.

Payment
terms.

They wanted
three
payments, so
again, it was 5,000

pay

a

one,

at the point of
contract.

So the date of the contract
that you've given,
which

means they owe you money now,
second

payment, third payment,
and

then

on behalf
of the full company name.

This might be the managing
director,

it might be
the sales director, might
be the
accountant.

They've

signed, they've named,
they've put the title.
And
then
you will get that
back when it's
been signed
,
and you will do the same.
Sign it as the rider or the
team owner or
whatever
you
are, Your name and your
signature, and
then
you send
them a
copy,
you keep a copy,
and you send them a copy back
with you both signed, and
that's you
contracted.
Most contracts will never
really
be looked at again.
You'd have to really be
blatantly
not
doing anything
for somebody to try
and enforce a
contract.
But it is still a contract,
you
know
, in the eyes of the law.
So
you're
doing it so that you
get those later payments,
and they're doing it
so
that
they get those
later
services.
So we've got to go into it
with the
right
intention.

But
most
contracts
in the paddock would never be
chased up because of
the
sheer,
types of agreements
and types of
things
that are going on.
You know
, if a sponsor decides
to go with another.
You know, we've had this in
a few
paddocks where
a sponsor's
actually
manoeuvred over to a
different
rider or a different team.
And it's
all
been, you know,
worked behind the
scenes
,
but nobody's taken
everybody to court for it.
There's
maybe
a little bit
of bad blood, but
nobody's
taken every to court for it.
So we don't want to
tie ourselves in knots here.
But again
, we might be
dealing with companies that,
don't know anything
about the paddock.
So they're
not
going
to be as laid back as some
companies that are
already
in the paddock.
And we want to make sure
that

we're
bulletproof
when
it comes to the contract.
We
provide
what we are saying
we'll
provide
, and they're
providing what they provide.
So any questions on that,
just
drop me the message
below.
And
obviously
we'll also
cover it on the,
call, the
coaching
call.
But you've got a downloadable
version below,
which
you can
then
put onto your
own computer and
then
start
to change things around.
Okay
, so we'll leave
it here and we'll catch
up
again
tomorrow.
Okay
, so we're back.
And what we've
also
got to
recognise is that
obviously
we're wanting them to say
yes when we've
done
all the
work and we've done the
proposal and we've done the
messages

backwards
and
forwards.
But we might
also
get a no.
And that's
not
a problem,
because no
doesn't always mean never.
It just sometimes
means
not
yet.
And
that's
how we've
got to look at it.
We've got to go, okay, we
haven't done enough
to convince them yet, but it's
just
part of the timeline.
They say yes
here.
This
one
says yes here,
this one says yes here.
We've got to
just
carry
the momentum, carry on
being in
contact,
carry on
with the updates, carry
on
inviting
them to get
involved in things.
Why don't you come down to
a race weekend and just see?
I'll put a
ticket
on the door
for you and
just
come
and see and experience it.
We've got to carry that

momentum to be
able
to keep
people warm
enough
to go,
this guy's actually good.
He's
actually
carried on doing
what he says he's
going
to
have done for us and we should
have
actually
got involved.
And
that's
where we want to be.
We want them to be going,
I
wish I'd done this
a
year ago.
And when we do that, we've
done our jobs
properly.
Because
guess what, you're
going to be announcing that
ABC
Companies joined you.
And
, you're going to be
announcing that you've got
18
people on your club and
you're going to be announcing
that you're doing a
special
helmet and
you're
going to be
doing all these things and
they're going, yeah, this
guy's
really
on it, you know,
he's
not
just taking the

money and running.
Because
maybe
that's
what they think.
Maybe
they've got
a bad experience.
Maybe
they did it for
a football team or
a rugby team and never
saw any
benefits.
We don't know the full facts.
So what we've got to
really
understand is that it's
just
part of the timeline.
It's
not
yet.
So all we're getting when we
go,
you
know, thanks
for the
proposal,
thanks for.
Or maybe we don't
even get that.
Maybe they're
not
even
polite enough to say thanks
for the
proposal.
It's
just
silence.
What we've
also
got to remember
is people are
busy
, people are
dealing with their own stuff
and we want them
to get
involved
in our stuff.

So just because somebody
doesn't reply to us doesn't
actually
mean

that,
that it's on the bottom
of their agenda and that
they're
not
interested.

It
just
means that other
things are taking their time
and taking their
attention.

So when we can start to
recognise
that and
not
take it too personally.

Not
take it, oh, I put a lot
of work into this and

it
never
even
gave me a yes or a no.

That's

taken
it
personally.

And
then
we've got an opinion
about them and then
it means we don't want
to keep them updated.
It means we don't want to

do
the
thing
, we want
to kill them with kindness.
We want to come back to them
and with a
follow
up with a
big
smile and a big, you
know, things are going
great

and it would be superb if you
got involved in this or it'd
be great if you
actually
came
down to a race weekend and
we're at your
local
circuit
next month and it'd be
great
if you

and

your managing
director came.
We want to be that guy
rather than the
one
that's
bitter that they didn't
get an instant yes.
We didn't do any follow

up

because we were bitter because
we didn't get the instant yet.
So we don't take it personally.
We take it as part
of the timeline,
we
take it as
part of the
process
and that
keeps the momentum going, that
keeps the
opportunities.

They
ultimately
want to
have a friend who goes
racing
who can give them things
in the paddock and give
them
opportunities.

So if you act
like
a friend
and you act open
and honest

,
they're more likely

to want to get involved.
But if you've gone a bit
grumpy
and gone a little bit
sort
of sour over it,
why would somebody want to get
involved in the
first
place?
And they'd be going, thank
God
we didn't do anything
with him or her.
So they're
actually
proved right.
Whereas
actually
what we want
to be going is you're
just
part of the timeline.
I'm
just
working on you.
You might come on
next
year,
you might come on the year
after that, but guess what,
the
budget's
getting bigger
because I'm going to be
so
far further along that
you're going to be paying
more.
Imagine somebody getting
offered to get
involved
with Fabio Quartararo
when he was
16.
Okay, get
involved,
become
his personal sponsor.
We
really
want to help and send

him places and
all
that
and we need to need some help.
And they're going, no, I
don't think, it's not for us.
Okay
, now they want
to get involved.
What's it going to cost
them
?
What's it going to cost
them
?
It's going to cost them a
gazillion
compared to
being
16
and going with
him and growing with him
and being
associated
with
him all the way through
his career.
Now
, nobody's got a crystal
ball and can predict who's
going to be the
one
to bet on.
But the truth is
you're
going
to be
more
expensive
the more time goes on.
So it's
not
a problem if
you go, I've been talking
to him for
two
years
and he's finally come on.
But I've got
more
money
from him now than I would

have got
two
years ago.
There's nothing
wrong
with that at all.
And
so
just like the world
is, you know, I went
to the dentist and the dentist
has put
all
his prices up.
You know, I mean, he's
not
sure
of
a Baba
too
, but he's
just put all his prices up.
And so we're
entitled
to do that.
You know, it's
not
a case of
us believing
that,
you
know, oh, it's got to be
that price that I talked
to somebody
originally
about.
So we want to be that
nice
follow
up
, that nice update
that keeping them warm.
We've got them on
a
mailing
list.
We're able to
then
do something
with them that way.
Keep them updated, let them
know what's going on and

hopefully
have them getting
warmer
and warmer and
warmer and warmer

to,

to

then

go, hey, I

want

to get

involved.

Okay

, so we'll leave it here.

You

know, how do you

keep it

relevant

?

How do you keep it updated

and something

new

?

So you've messaged somebody

on

Linked

In, you've left

it

three

or four weeks,

you've messaged them again.

How do you keep that

next

message relevant for

them and

interesting

?

Yeah.

So, for me, I started,

to keep my

followers

updated

and the people I

was talking to updated.

I started,

like

a little

supporters club, where

people could, for example,

if I message someone

on

Linked

In and he's gone, oh,
I'm
not
ready for it.
I don't want to
get involved yet.
Maybe
next year, I then ask
for his email to keep him
to send him updates
throughout
the season to
then
have him following me.
So the next year when I message
him, it's
not
been a year
where he hasn't seen me
or seen what I'm doing.
So he's had emails
throughout the year, which
then
I suppose keeps people
warm and
over
the year, he
might build up an interest
of what I'm doing and
then
go, oh, I want
to
help him
next
year.
So I suppose it's
just
another
way of attracting people
you're
already
talking to.
Yeah.
Yeah.
Good.