ADDENDUM # 1 TO RFP # 0058665

VIRGINIA POLYTECHNIC INSTITUTE AND STATE UNIVERSITY (Virginia Tech)
Procurement Department (MC 0333)
North End Center, Suite 2100
300 Turner Street NW
Blacksburg, Virginia 24061

DATE DUE DATE AND HOUR
September 23, 2019 October 1, 2019 @ 3:00 PM

ADDRESS ALL INQUIRIES AND CORRESPONDENCE TO: Kim Widrig, Buyer Senior
E-MAIL ADDRESS: kdcromer@vt.edu TELEPHONE NUMBER (540) 231-8543
FAX NUMBER (540) 231-9628 AFTER HOUR MESSAGES (540) 231-6221

Athletic Ticket Sales, Consulting and Program Management Services

1. Please see the attached responses to inquiries received about this RFP.

2. All other terms, conditions and descriptions remain the same.

3. Note the change in due date. The due date and hour is changed from September 25 at 3:00 PM TO October 1, 2019 at 3:00 PM.

I acknowledge that I have read and understand this addendum in its entirety.

_________________________________  ____________
Signature   Date

Revised 01/01/2018
1. Page 6, Paragraph 1, Section VII for RFP 0058665 indicates: The selected vendor shall do the following: A. Outsourced ticket sales services for University’s ticketed events, including engaging personnel to perform such tickets sales services

   ● Are ticket purchases made in person, online or a mix of both?

   **RESPONSE:** All of the above

   ● If they are purchased online, where are they being purchased from currently and will the contractor be responsible for creating a secure platform for ticketing sales or continue with whatever means are in place now?

   **RESPONSE:** We work with Paciolan and that will be our platform moving forward.

   ● If they are being purchased in person, would they be sold thru the office space set-up by the contractor or are they sold on campus through the Athletic Department?

   **RESPONSE:** The Athletic Department.

   ● On average, how many events are held on a monthly basis?

   **RESPONSE:** 5 ticketed events per month

2. Page 10, Paragraph 1, Section XI for RFP 0058665 indicates: Invoices for goods or services provided under any contract resulting from this solicitation shall be submitted by email or by mail. Are there any specific tools (i.e Deltek) required for invoicing?

   **RESPONSE:** No

3. Page 6, Paragraph 1, Section VII, Point E for RFP 0058665 indicates: The selected vendor shall do the following: Office space design/set-up, telephone-call-room infrastructure assistance and recommendations

   ● Is the office space required to be set-up on campus at Virginia Tech University or on an off campus location?

   **RESPONSE:** To be determined.

   ● Can you please clarify on the telephone-call-room infrastructure portion, Are inbound calls to the University re-routed through to the Contractor? Is the contractor responsible for setting up this system?

   **RESPONSE:** To be determined.
4. Page 6, Paragraph 1, Section VII, Point A for RFP 0058665 indicates: The selected vendor shall do the following:
   A. Outsourced ticket sales services for University’s ticketed events, including engaging personnel to perform such tickets sales services. Includes:
      I. On-site, full-time general manager
      II. Account executives reporting to general manager who will participate in sales activities.
      III. A data analyst

   ● Do any of the positions (apart from the on-site general manager) have the opportunity to work remotely or do they need to be onsite in Blacksburg?

   RESPONSE: We would prefer that they are on-site unless there is an agreed upon solution. We are open to hearing both.

5. In “Section III- Contract Period, Paragraph 1" The RFP states the initial contract term as three (3) years plus a three (3) year extension option, or as negotiated.
   a. Would the University consider an initial term of six (6) years plus a four (4) year extension option for a potential total of ten (10) years instead?

   RESPONSE: Not at this time.

6. In “Section IV- Background, Paragraph 4”, it states Virginia Tech seeks outsourced ticket sales services.

      i. Why did Virginia Tech terminate this partnership before the end of the initial contract term?

         RESPONSE: The relationship was not ultimately productive for either party.

      ii. What key learnings, positive and negative, do you have from your first attempt at outsourcing to IMG-Learfield?

         RESPONSE: We need to fully integrate the partnership instead of including individual pieces of ticket sales. In this version, we will sell the full menu of options.

      iii. Why did the University decide to outsource ticket sales services again? Please provide your primary reasons to outsource instead of setting up an in-house sales team.

         RESPONSE: The decision was made simply because VT is in a position of needing to provide better service to current customers and more opportunities for finding new customers.

7. In “Section VII- Statement of Needs, Paragraph A”
   a. How did you determine that this is the preferred staffing model?

         RESPONSE: When reviewing a variety of models, we believe that based on the current volume and book of business we have available, this would be a preferred model. We are open to alternative solutions.

   b. Who in Athletics would our on-site General Manager report to?

         RESPONSE: Brad Wurthman, Senior Associate AD, External Operations

   c. What is University’s preferred total amount of Account Executives on-site?

         RESPONSE: We would prefer that all of them are on-site if the model makes that possible.
d. Why is the University requesting a “Data Analyst” position in the outsourced ticket sales model?

**RESPONSE:** We are at a point where we are pulling in data from various sources and do not have in-house expertise to review/adjust/strategize with the data to maximize revenue potential.

i. How would the University define this position and the key job responsibilities?

**RESPONSE:** It would, in its purest form, be someone who can help us find trends, opportunities for growth, and work within our CRM platform to help narrow our focus.

ii. How does the University see this position interfacing with relevant Athletics personnel?

**RESPONSE:** In a similar manner as the other positions.

e. As revenue grows in future years, could the University and Vendor mutually agree to additional sales support?

**RESPONSE:** Yes.

8. In “Section VII- Statement of Needs, Paragraph C”
   a. Who is responsible for Season Ticket Renewals and Retention?

**RESPONSE:** In our preferred fully integrated model, both the partner and the internal staff would be.

b. Please describe how the existing ticket office staff would interface with this new sales team.

**RESPONSE:** They would work together on a daily basis and be counterparts in building the business.

   a. Is the University responsible for the costs of office space setup, furniture, and necessary technology (computers, phones, headsets, printer, etc.)? Please list specifically what the University will or will not provide.

**RESPONSE:** Yes, the university is responsible for this unless the vendor agrees to pay for it.

b. Where will the Ticket Sales office space be located?

**RESPONSE:** Still working on this.

10. In “Section VIII- Proposal Preparation, Paragraph A, Specific Requirements, 1. Qualification and Experiences, b.”
    a. What do you mean by “include proof of required certifications”? Please explain exactly what certifications are required.

**RESPONSE:** At this point, this is unnecessary.

    a. What is the University’s preferred financial model?

**RESPONSE:** All-in revenue with the vendor taking a percentage of the total so that there is no concern for individual moments in time.

b. What are your renewal deadlines and projected new season ticket on-sale dates for all 2019-20 ticketed sports?

**RESPONSE:** On sale in December, Renewal deadline in March
c. What are the season ticket renewal percentages over the past three years for all ticketed sports? Please note if the renewal percentages are based on total revenue or tickets renewed.

**RESPONSE:** On average, 78% of tickets renewed

d. How many total season ticket accounts do you have for each ticketed sport?

**RESPONSE:** 26k for football, 4,500 for men’s basketball

e. How much ticket inventory is available for new season ticket sales for each sport?

**RESPONSE:** 12k seats for football, 1,500 seats for basketball

f. Are there any historical variables, scheduling, opponents, etc. that significantly impacts ticket sales?

**RESPONSE:** Yes scheduling. We also reseat both venues every three years so 2020-2022 will be a reseating cycle.

g. Please provide ticket sales data for FY17, FY18 and FY19 by each commissionable ticketed sport in the categories below. Please break out each sport and year separately and include the total net ticket revenue. Excel format is preferred.

**RESPONSE:** Total ticket revenue has fluctuated between $16 million and $18 million (including football and basketball). We have not sold group tickets historically and only began selling mini plans a few years ago so we are looking to improve dramatically on those numbers. Historically a mass amount of our total was tied directly to, and only to, season ticket revenue. An excel format is not available at this time.

12. In “Section IX- Selection Criteria and Award, Paragraph A, Selection Criteria.”

a. Will the University’s current partnership with Learfield-IMG College (who own VT’s multimedia rights, Paciolan Ticketing, and Sidearm website) have any weight or influence in the decision for this RFP?

**RESPONSE:** Possibly during negotiations.

b. Does the University view bundling services such as multimedia rights, ticketing software and 3rd party ticket sales units under the same outsourced provider as beneficial?

**RESPONSE:** Yes

c. The RFP did not include a request for partner references. Would you like for references to be included? If so, how many and will the reference checks be scored in the selection criteria?

**RESPONSE:** Not necessary at this time.

d. Who are the members of the evaluation committee? Please list names and job titles.

**RESPONSE:** Brad Wurthman, Senior Associate Athletics Director, External Operations
Angie Littlejohn, Senior Associate Athletics Director, Internal Operations
Lauren Belisle, Associate Athletics Director, Marketing and Fan Development
Sandy Smith, Associate Athletics Director, Ticket Operations and Customer Service
13. How many unique names with data (phone numbers, emails, etc.) do you have in your current fan/booster ticket database? To what extent have these lists been "mined" in the recent past, in terms of emailing and used for outbound phone calls?

**RESPONSE:** Our current list is approximately 200k and is growing each day. They have been emailed but very few have been contacted via phone.

14. Does Athletics have a Customer Relationship Management (CRM) system? If so, which one? (Salesforce, Dynamics, HubSpot, etc.)

**RESPONSE:** Salesforce

15. Would the University allow the service provider to take new stand-alone donations for athletics that are not directly tied to any ticket sold? If yes, what is the size of the athletic ticket donor database?

**RESPONSE:** Yes. We currently have 16k in our annual fund.

16. When was the last time Athletics conducted any fan research studies? Please provide an overview on the scope of any research that has been previously conducted.

**RESPONSE:** We conduct ongoing research but not anything robust enough to consider it a research study. This is something we are working towards executing in 2020.

17. Are there any services (ticket technology, research, etc.) that the University would like the vendor to include in their bid as a value-add?

**RESPONSE:** Not necessarily but we are open to the vendor providing rationale behind their expertise and how their additional services can support the effort.

18. Will this RFP document be the final contract? If so, may we add a handful of terms and conditions at the end of our RFP response?

**RESPONSE:** This RFP will be included in the final contract. You may add your terms and conditions but if that vendor is chosen for negotiations then those terms and conditions would have to be sent to Virginia Tech legal for review.

19. I did not see a place to take exception to any of this RFP’s terms and conditions; may we add a page at the end of our RFP response with those exceptions?

**RESPONSE:** Yes but the exceptions will have to be sent to VT legal for review if chosen for negotiations.