

Section 5: Finances and Sponsorship

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Building a robot is easy compared to financing a team. That said, there are a number of ways to generate interest about FIRST and gain sponsorship that will result in a sustainable team.

An easy way to picture a FIRST team's finances is as an enclosed system. There is one input to that system: the revenue stream. There is one output from that system: the outgoing payments or costs to run the team.



A team's outgoing payments are fairly well defined. The key, then, is raising enough money to fund these outgoing payments. When fundraising it helps to have visual cues that remind the team of their goals and progress. A thermometer style wall chart can show concrete goals at specific dates as red gets filled in as funds are acquired. Each dollar not brought in can be a missed opportunity to enhance robot capabilities or do something concrete. Well defined goals help the team stay motivated by showing where the money will be useful to the team. When estimating costs for a budget, it is a good practice to over-estimate each cost by 10-20%. Coming in under budget is never penalized, but being over budget can be disastrous. In addition, individuals tend to estimate costs as if everything were going to proceed perfectly, which rarely happens.



TEAM 1718'S EXAMPLE BUDGET

These examples are taken from Team 1718's 2010 budget. First we will look at the standard FIRST fees. These fees are for a returning team. Rookie Initial Registration is currently \$6,500. Rookies pay more because they receive a larger kit of parts.

FIRST Fees	
Initial Registration (2 District Competitions and KOP)	\$ 5,000.00
Nationals Entrance Fee	\$ 5,000.00
States	\$ 4,000.00
Total: \$ 14,000.00	

Next, let's look at potential costs of housing in case you do travel to competitions. These costs are for approximately 14 rooms for 3 days in Atlanta, and 10 rooms for 2 days in West Michigan.

Hotel Fees

Altanta Hotel	\$ 3,500.00
West MI Hotel Rooms	\$ 1,500.00
Total: \$ 5,000.00	

Next let's consider travel costs to competitions.

Travel Costs

Tow Vehicle Gas	\$ 500.00
Trailer Rental	\$ 300.00
Team Dinner	\$ 600.00
Total: \$ 1,400.00	

The robot obviously costs money to fabricate as well. The list of what goes into a robot can become quite long. However, the overall cost of a robot is limited by FIRST rules. The actual cost of FIRST robots varies wildly based on the amount of expertise that goes into them. A reasonable estimate for a competition ready machine is \$4000.00. In addition, you will need various tools.

The Robot and Tools

The Robot	\$ 4,000.00
Tools	\$ 1,000.00
Total: \$ 5,000.00	

The season doesn't end with the building of the robot and attendance of season events. A large number of less-expensive optional off season events are held where teams can gain valuable experience with new drive teams and pit crews.

Off Season Competitions

MARC Registration	\$ 215.00
Indiana Robotics Invitational	\$ 650.00
Kettering Kickoff	\$ 350.00
\$ 1,215.00	

Also note that this list is not all inclusive. Various other optional items like team dinners during build season, shirts, signage for competitions, and nick-knacks to hand out to other teams, add to the bill.

CREATING A ROOKIE BUDGET

Normally, the costs that have been outlined are out of reach for rookie teams. Don't worry: removing costs is fairly simple. To begin, most rookie teams do not attend State Championships or World Championships. This reduces the FIRST fees to a more manageable \$5,000 (\$6,500 for rookies).



FIRST Fees

Initial Rookie Registration (2 District Competitions and KOP)	\$ 6,500.00
Nationals Entrance Fee	\$ 5,000.00
States	\$ 4,000.00
Total: \$ 6,500.00	

In addition, most Michigan teams have many events that are local to them and do not require travel. In a situation where a team needs to travel but does not have a budget for it, asking the team members to cover their own travel costs, and to share the costs to transport the robot can remove the expense entirely. For example, many district events in Michigan are often close to a team's local area. Therefore, the cost of travel is often up to each driver, as the price of gas to and from the competition is often donated by parent drivers.

Hotel Fees

Atlanta Hotel	\$ 3,500.00
West MI Hotel Rooms	\$ 1,500.00
Total: \$ -	

Next, if your members have minivans or trucks, it's reasonably simple to transport everything you need without a trailer. Team dinners at events can be covered by the individuals attending the event.

Travel Costs

Few Vehicle Gas	\$ 500.00
Trailer Rental	\$ 300.00
Team Dinner	\$ 600.00
Total: \$ -	

Next, let's look at the robot build budget. Rookie teams in general do not have the experience with FIRST components to create a world class robot. Instead, it's an excellent goal to pick one portion of the game and work towards having a dependable robot that can perform that task. Sticking with inexpensive building materials like plastic (PVC) and wood can help minimize costs. FIRST also includes a chassis kit, transmissions, motors, and a laptop computer for programming (although a secondary programming computer is suggested) with the entry fee. This means that most rookie teams can arrive at competition having paid little more than their entrance fee and the cost of tools.

The Robot and Tools

The Robot	\$ 500.00
Tools	\$ 1,000.00
Total: \$ 1,500.00	

Suddenly the budget has gone from a staggering \$27,000.00 to a far more reasonable \$8,000.00. In addition, if you are lucky enough to have received assistance in the form of rookie grants from FIRST or your regional organization, you really can have a first, FIRST year that is nearly free of charge.

SPONSORSHIP

Building a dedicated, long term sponsorship base is critical for any FIRST team. During the build season, the last thing a team should be focused on is fundraising. In most instances, however, a rookie team has not yet developed a good sponsorship base, so they should expect to dedicate some of their pre-season and build-season time to fundraising.



The first rule of fundraising is to remember that every thing the team might spend money on is a potential area for sponsorship. Consider something as simple as meals during the build season. The cost can be spread among the team members by having potluck each night. Most teams have several fast-food, sub, or pizza shops that are nearby. These are prime candidates for sponsorship. Don't stop at asking them to sponsor the team and provide some (or all!) of the team dinners. Gift-certificates can be raffled off as a fund raiser, as can discount-cards or other similar promotions.

That transitions into one of the most important components of fundraising and sponsorship. **Local companies are critical for sponsorships.** It is much easier to obtain those sponsorships if you have a sponsorship packet.

SPONSORSHIP PACKET

A comprehensive sponsorship packet can go a long way towards securing sponsors. Components of a sponsor packet include:

- **About FIRST:** Many companies have never heard of FIRST. It is a good idea to include not only a description of what FRC teams do (build a robot, learn real-life problem solving, etc.), but also a description of what FIRST stands for (getting kids interested in science and engineering).
- **Benefits of Sponsorship:** If a company does sponsor you, how will it benefit them? Many teams put the logos of their sponsors on their robot, and they put the name of the company on the back of their t-shirts.
- **How to get involved:** Who can someone contact if they have questions? How do they contact your team?
- **Events:** What events are you going to? Sharing events with your sponsor is a great way to show them what your going to be doing with their donations.
- **Sample Build Season:** What goes on? How long is the season?
- **Sample Budget:** Where could their sponsorship money be spent?
- **Sponsorship Levels:** Most teams have a standard set of sponsorship levels. Many use levels like bronze, silver, gold, and platinum. Each increasing sponsorship level should have more perks for the sponsor. Some things that a team should consider including are a level at which the sponsor is placed on a team shirt, a level at which a sponsor's name is placed on a robot, and a



level at which sponsor's names are announced at the various events that a team attends.

Remember when going out for sponsors, getting small amounts is still a major success! Small amounts from many sponsors can quickly add up to significant funding. In addition, it means that the team has opened the door to a future relationship with that sponsor.

Teams should understand that a sponsorship is a two-way relationship. A team should ask itself what they can offer to a given sponsor to interest them. If the sponsor is a pizzeria, can fliers be handed out at school advertising them? Can a robot-demonstration be given in front of their store to generate an increase in traffic? Can the team volunteer to help the pizzeria at events like parades (selling pizza) or sporting venues (selling pizza at high school football games)?



Get out and go door to door. Work with the students on their speaking skills, and create a short monologue that they can practice ahead of time. It helps if they are wearing team shirts and other identifying clothing as well. Above all, practice professional behavior.

FUNDRAISING

There are a number of events that teams can schedule to bring in funds. Requiring a team fee for students to join is very common. Just make sure that it isn't priced out of the students reach. It's also a good idea to offer rebates for students if they bring in other students to join, or have family members already on the team. Another idea is that if a student generates 5x or 10x amount of dollars in sponsorship funding, then x amount of dollars are reduced from their team fees.



In addition, pop-can drives in your local area can be very successful. A team can petition local supermarkets to allow them to stand in front of the building and ask for pop-can donations. Another alternative, if local supermarkets are busy, is to go door-to-door with fliers asking that pop-cans be set aside for pickup on a specific date.

Fund-Raising events can be quite a bit of fun, and generate money. Team 1718 has been successful with bowl-a-thon fund raisers where companies are asked to sponsor a lane for some minimum amount, then tickets are sold by team members to their friends and families to come and bowl.

Raffles also work well. Local companies donate items at-cost to the team and the team raffles them off. Be sure to follow local laws and regulations if you are doing a fund raiser like this.

Car washes are fairly labor intensive, but can generate income depending on the location.

Some businesses will often donate machining time, tools, paper supplies for team dinners, printing supplies or printing of brochures; the list is endless.



Get in touch with local groups like the Rotaries, Fairgrounds, Masons, Am-Vets, Knights of Columbus, Lions groups and others. They can donate halls, barns, and other venues during high-traffic periods for things like pancake breakfasts and spaghetti dinners. For a short robot demonstration or student presentation they will often contribute or become annual sponsors.

Beware, there are some pitfalls when fundraising. Insure that you have followed school and local guidelines. For instances, card-games and some forms of raffles can be considered gambling, and may be banned. Ask the school staff for their rules.

These have all been successful for 1718. However, the biggest fundraiser of them all is to go out and get more sponsors!