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# Is Your Naming Rights Partnership Delivering the Value It Should?

## The brands that navigate renewals most successfully are the ones that start well before the deadline.

The contract looked strong when you signed it. The venue was the right fit, the category was protected, and the fee made sense relative to what the market was doing at the time.

That was then.

Naming rights agreements are among the longest commitments in sponsorship. Terms of 10, 20, even 30 years are common. That duration is part of the value proposition for both sides. But it also creates a structural challenge that most brand teams do not confront until they are sitting across the table from a rights holder with a deadline approaching: the world changes, and the valuation does not always change with it.

If your naming rights agreement is approaching renewal, the question is not simply whether to renew. It is whether you understand what the partnership is actually delivering today and what it should deliver in the next term.

**UNDERSTAND WHAT THE PARTNERSHIP IS ACTUALLY DELIVERING TODAY AND WHAT IT SHOULD DELIVER IN THE NEXT TERM.**

## The Gap Between What You Are Paying and What the Partnership Is Worth

The sponsorship industry has changed significantly in how value is defined and measured. Brand investment scrutiny from finance

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leaders, boards, and agency partners has reached a level of rigor that did not exist when many long-term naming rights deals were first structured.

At the same time, the assets inside naming rights packages have expanded. A deal signed a decade ago may have included signage, some IP use, a suite, and a founding partner title. That same venue today likely includes social media integrations, digital out-of-home inventory, streaming overlays, and co-branded content programs that simply did not exist when the original agreement was negotiated.

This creates two realities that often go unexamined at the same time. The fee may be below current market, since rights holders benchmark continuously and are almost certainly preparing to re-price. And the package may be under-delivering its potential, because assets have evolved and activation opportunities have expanded without anyone formally reassessing the partnership against those changes.

IEG works with both brands and rights holders to bring clarity to this moment. Our Valuation Next methodology assesses naming rights value across three distinct components: sponsorship assets, use of likeness, and exclusivity. The goal is to move both sides from negotiation by intuition to negotiation by evidence, in a way that leads to better outcomes for the partnership overall.

## Why Starting Early Matters

Most brands begin renewal conversations when the rights holder initiates them, typically within a year of expiration. By that point, the rights holder has had time to benchmark comparable venues, field interest from other potential partners, and build an internal case for a rate adjustment. Brands that wait until that point are reacting to someone else's preparation rather than leading with their own.

Starting well ahead of expiration gives both sides something more valuable: time to have the right conversation. For brands, that means understanding the current fair market value of the partnership, completing a thorough asset audit, and identifying where the relationship can be optimized before renewal terms are set. For rights holders, it means a partner that arrives at the table informed and engaged rather than reactive.

That kind of preparation benefits the negotiation for both parties. It is also what allows a renewal to become a genuine reset of the partnership rather than a transaction.

# What a Thorough Renewal Process Includes

The most productive naming rights renewals are grounded in four areas of analysis that are best completed before formal discussions begin.

## 1. A baseline valuation

Understanding the current fair market value of the partnership, not what the brand is paying, but what it would cost to enter this deal today, is the single most important input into any renewal conversation. It tells brands whether the fee is above, below, or in line with current market conditions, and it gives rights holders a credible, third-party foundation for their own pricing position.

## 2. A full asset audit

Rights holders add inventory organically over the life of a long-term agreement. A formal audit of what is currently in the package, including how individual assets are performing and where the greatest value is concentrated, creates flexibility for both sides. When brands and rights holders understand which assets are driving the most value, they can restructure, swap, or expand those elements in ways that serve the next term better than a simple fee adjustment would.

## 3. Competitive intelligence and benchmarking

IEG's Sponsorship Intelligence Database tracks active sponsorship deals across categories and sectors. Understanding what comparable brands are investing in similar partnerships, what the competitive landscape looks like in a given category, and where new entrants are active from sectors including technology, green energy, telehealth, and tourism provides essential context for evaluating the partnership. Category exclusivity in particular requires this kind of market view, since its value is directly tied to who else wants what the agreement provides.

## 4. An honest assessment of alignment

Over the life of a long-term agreement, business objectives evolve. The goals that justified the original investment may not be the goals driving marketing strategy today. A renewal process that honestly assesses whether the partnership is still the right vehicle for current priorities, and identifies where adjustments would improve alignment, leads to a stronger agreement on both sides. In some cases, that assessment may indicate that renewal is not the right outcome. That conclusion, reached through a rigorous process and with full information, is a legitimate and valuable one.

# How IEG Can Help

IEG has worked with brands, rights holders, and agencies across sports, entertainment, and cultural properties for nearly four decades. Our role in naming rights renewals is to provide the objective, data-driven foundation that makes those conversations more productive for everyone involved.

IEG Valuation Next gives sponsorship decision-makers three things that are difficult to develop internally.

### Data to drive decisions

Valuation Next provides distinct value breakouts for sponsorship assets, use of likeness, and exclusivity, alongside competitive intelligence and benchmarking against what comparable organizations are investing in similar partnerships across the market. The result is a clear picture of where the value of the partnership lies, not just an aggregate number.

### Qualitative context

Numbers alone do not tell the whole story. IEG layers in analysis of the competitive landscape, unique business opportunities, and how the partnership aligns with current marketing priorities. That context is what allows a valuation to inform a negotiation strategy rather than simply document a price.

### Speed and flexibility

Valuation Next is built for the timelines that real renewal decisions require. Quicker turnaround and reporting customized to each organization means the information is available when it is most useful.

**IEG LAYERS IN ANALYSIS OF THE COMPETITIVE LANDSCAPE, UNIQUE BUSINESS OPPORTUNITIES, AND HOW THE PARTNERSHIP ALIGNS WITH CURRENT MARKETING PRIORITIES.**

# The Decision Ahead

## Starting the renewal process well ahead of expiration gives organizations the time to do this work properly before the pressure of a deadline begins driving the conversation.

**A NAMING RIGHTS AGREEMENT IS ONE OF THE MOST SIGNIFICANT AND VISIBLE SPONSORSHIP COMMITMENTS AN ORGANIZATION CAN MAKE.**

It allows brands to establish clear internal priorities, assess the partnership against current objectives, and approach discussions as an informed partner rather than a reactive one.

The findings from a rigorous renewal process may confirm that the partnership is more valuable today than it was when it was first signed. They may identify specific assets that have become more important and others that can be restructured. They may reveal that the competitive landscape has shifted in ways that make exclusivity particularly valuable or that current priorities point to rights and opportunities that are not yet part of the agreement.

Whatever the findings, they create a stronger foundation for the conversation ahead. And in some cases, they may point toward a different outcome entirely. That conclusion deserves the same rigor as any other.

A naming rights agreement is one of the most significant and visible sponsorship commitments an organization can make. The decision to renew it should reflect the same level of analysis as the decision to enter it.

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IEG is the leading authority in sponsorship consulting, trusted by brands and rights holders alike. For nearly four decades, IEG has provided the valuation, strategy, and market intelligence that allow organizations to enter, optimize, and exit sponsorship relationships with confidence.

**To learn more about how IEG can support your upcoming renewal, contact:**
Jake Spiak
Director, Marketing & Growth
jake@iegworld.com
(312) 533-1843
sponsorship.com