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TIP SHEET #4



How and Why Tobacco Companies Sponsor Rodeos

Tobacco companies sponsor events like rodeos because they provide a friendly association “between [tobacco] and exciting, glamorous, or fun activities.”¹

Background

- Several spit tobacco companies use rodeos to promote their products, including Conwood Sales Co., L.P., makers of the Kodiak and Grizzly brands; Swedish Match, whose brands include Timberwolf and Red Man; and the US Smokeless Tobacco Company (USSTC), which makes the Copenhagen and Skoal brands and has the largest market share of the spit tobacco industry.
- The relationship between tobacco and rodeo began over 25 years ago. R.J. Reynolds used its Winston cigarette brand to sponsor Professional Rodeo Cowboys Association (PRCA) rodeos from 1972 to 1986; RJR dropped the sponsorship at least in part because the PRCA entered an exclusive agreement with USSTC during the mid-1980s.² USSTC’s website states that it is a national sponsor of several rodeo associations including the PRCA, Professional Bull Riders, Inc. (PBR), and the National Intercollegiate Rodeo Association (NIRA).³

What is sponsorship?

- Sponsorship is directly related to marketing, and is one of the four components of marketing (the other three are advertising, sales promotion, and public relations). Payment for sponsorship can be provided either in cash or as an in-kind benefit such as the free printing of a rodeo program in exchange for announcing the printer’s name during the rodeo.
- Clearly, sponsorship is not philanthropy. In the case of rodeo, it promotes a company in association with an event. USSTC reaps the benefits of sponsoring a rodeo by exposing event-goers to its products and associating the tobacco company name with the good name of the rodeo.
- The tobacco industry’s ability to continue to use its former advertising methods has been affected by restrictions such as the Master Settlement Agreement (MSA) and Smokeless Tobacco Master Settlement Agreement (STMSA) and state sampling laws.⁴ Therefore, the tobacco industry has developed more creative ways of marketing their products. Below are some of the sponsorship methods used by USSTC at rodeos.
 1. **Signage** including banners, billboards, flags, chute signs (on the gate that releases the cowboy and animal into the arena), and scoreboards.
 2. **8-second counters** which are separate from scoreboards that show the overall scores rating riders’ performance. The audience watches such counters during bull riding events because competitors must stay on their bulls for 8 seconds in order to score.
 3. **Sampling booths** for “adults only” that offer games and free tobacco samples or discount coupons. Names and addresses are collected from booth visitors for direct mail marketing. The outsides of the booths usually display the brand name or tobacco product, which is visible to everyone who attends the event (not just adults). The booths are very attractive to youth under 18 who are curious about why they are not allowed inside.
 4. **Payments to stock contractors** (owners of animals that compete in rodeos). USSTC has made these payments in the form of sponsorships of animals named after spit tobacco, such as a bull named “Smokeless Unforgiven.”⁵ Animal names are announced each time they are ridden at a rodeo which repeatedly promotes the animals’ sponsors.

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5. **Rodeo program ads** that feature the names of the event sponsors.
6. **“Shared promotions”** in which tobacco companies partner with local businesses around the time of the rodeo. For example, a grocery store may hold a sale on spit tobacco in exchange for inclusion of the store’s name in a tobacco ad in a newspaper.
7. **“Added money” promotions:** Rodeo contestants’ entry fees are used to supply rodeos’ total prize purses for event winners. In an “added money” promotion, sponsors add money to the entry fees to increase an event’s prize purse.
8. **Celebrity endorsements** pay cowboys for wearing patches, shirts, vests, chaps, and other types of clothing that display a sponsor’s logo, and for acting as company spokespeople. The patches and clothing are clearly visible to rodeo audiences watching in the grandstands and on television.
9. **National sanctioning organizations** provide local rodeos with access to prize purses, publicity, rodeo programs, top stock contractors, well-known cowboys, and other services critical to running a successful rodeo event. Major rodeo sanctioning organizations sponsored by USSTC include the PRCA; Professional Bull Riders, Inc. (PBR); and the National Intercollegiate Rodeo Association (NIRA). The following types of promotions may accompany tobacco sponsorship of national sanctioning groups:
 - **Title sponsorships**, in which a company sponsors a series that follows a regional or national tour, such as PBR’s national “US Smokeless Tobacco Co. Challenger Tour.” Title sponsorships offer the opportunity to publicize the sponsor’s name every time an event is mentioned in the community and in the media.
 - **Prizes and scholarship funds** associated with the tobacco company. USSTC provides scholarship funds as prizes for top NIRA cowboys. In addition, although USSTC recently ended its title sponsorship of a major PRCA tour, it still sponsors the PRCA’s Wrangler ProRodeo Tour, Pace Picante ProRodeo Series, and National Finals Rodeo, and offers “bonuses” to top cowboys each year. That means USSTC is listed as a sponsor on the PRCA’s website and in its promotional materials, and the company receives additional publicity when it presents prize money to champion cowboys at awards ceremonies.
 - **Advertisements in national magazines** for rodeo fans, such as NIRA’s *Collegiate Arena*, the PRCA’s *Prorodeo Sports News (PSN)*, and PBR’s *ProBullRider*.

¹ *Rodeo Toolkit*, available through the Tobacco Education Clearinghouse of California (TECC) at (800) 258-9090.

² Powell, R., Untitled letter, “Richard Dilworth has passed along your package pertaining to the Pendleton Roundup to me for consideration...” August 17, 1988. Bates # 507404449/4449. Accessed: July 26, 2004.
<http://legacy.library.ucsf.edu/tid/oyx24doo>

³ US Smokeless Tobacco Company (USSTC) website, event sponsorship section at
<http://www.us smokeless.com/content.cfm?id=56>.

⁴ See Legal Fact Sheet on Limiting Tobacco Sponsorship of Rodeos Tip Sheet for more information.

⁵ US Smokeless Tobacco Company (2002). Press packet obtained at the 56th Annual PRCA National Convention in Las Vegas, NV.