Timothy M. Hofferth is the President and Chief Operating Officer of Nelligan Sports Marketing, Inc. (NSM). NSM represents some of the nation's premier sports properties, including the Big East Conference and six of its member institutions, the Genuity Championship at the Doral Golf Resort and Spa and the University of Louisville. NSM currently manages the broadcast, print, signage and promotional rights of 18 colleges and universities, two collegiate athletic conferences and three premier professional golf properties.

Honored as one of the Forty Under 40 in 2001 by Street and Smith's Magazine, Tim's placement as one of the most influential young leaders in the sports industry is a testament to his vision and leadership. At the age of thirty-four, Hofferth was one of the nation's youngest athletic directors in Division I-A. Under Hofferth's guidance and leadership, Villanova Athletics became well established on the national scene and moved to the forefront of collegiate athletics, where it remains today. While he was at Villanova, Hofferth generated over $28 million of new resources through the expansion of the Athletic Corporate Marketing program and the Athletic Department Endowment. His commitment to capital improvements initiated facility projects, including new soccer and tennis complexes, a new football stadium press box and a 6,000 sq. ft. academic resource center, a new swim office complex, a new media relations office, private offices for all coaches, the expansion and renovation of the varsity training room, the renovation of the varsity athlete weight room, including the purchase of over $400,000 in new equipment and the creation of over 20,000 sq. ft. of recreational facilities. During his tenure, Villanova's 500 student athletes excelled in the classroom with an average 2.94 GPA, the highest at Villanova in 14 years. Additionally, Tim developed and executed a comprehensive plan to achieve gender equity within the university's athletic department and raised the additional resources necessary to fund 14 new scholarships and 6 full-time staff positions.

Prior to his tenure at Villanova University, Hofferth worked at the University of Kentucky as the Director of Marketing and Promotions for almost two years under the guidance of the legendary Athletic Director C.M. Newton and current Boston College Director of Athletics Gene DeFilippo. A 1986 graduate of the University of South Carolina-Aiken with a bachelor's degree in sports management, Hofferth went on to earn a master's degree from the University of South Carolina in 1988 in educational administration. Hofferth and his wife, Lisa, reside in Denville, NJ with their three children, T. Joshua, Megan, and Jacob.

You made the move from college athletics to a private sport marketing firm. What led to that decision?
I was in the private sector before I went to the University of Kentucky back in the early 1990s. In the university atmosphere, I developed valuable skill sets and learned the importance of making yourself invaluable to your organization. With great mentors like Gene DeFilippo (the current Director of Athletics at Boston College), I set out to become an expert athletic director.

At Kentucky I was part of a core team that helped build the largest television/radio network in college sports. I learned a great deal from that experience and even more at Villanova University, where I had to create revenue and resources for the entire athletic department. During my tenure there, we built sponsorship revenue up from about $150,000 annually to over $4 million annually, and we generated over $28 million in total sponsorship.

At Villanova, I also discovered something about myself—I enjoy building things. Having the opportunity to do that on multiple properties was an opportunity I couldn't pass up. Villanova was in a great conference, and I worked for a great president, but I had a chance to create something in the private sector where I truly enjoy the benefits and rewards.

With your background in marketing, did you feel prepared to handle the other responsibilities of the athletic director position?
Yes. Many of the important issues that athletic administrators face, such as gender equity, academic resourcing, and facility initiatives, require additional resources. When we generated $28 million of new revenue for Villanova's athletic department, it allowed us to address issues internally without additional dollars from the University.

We funded gender equity on an ongoing basis and created a revenue stream to ensure its funding in perpetuity. We built more facilities in my three years as athletic director, and paid them all off, than they had in the prior 15 years combined. We built a 6000-square-foot acade-
mic resource center, football locker rooms and a press box, weight rooms and training facilities, and new soccer, tennis, and swim complexes. When I left Villanova in 2000, our student-athletes had the highest average GPA in the history of the program. All of these important initiatives required resources.

Athletic directors like Gene DeFilippo at Boston College, Kevin White at Notre Dame, and Dave Hart, Jr. at Florida State, have worked their way up by developing a fundamental skill set that allows them to enhance revenues through marketing. That’s why I was named AD at 34 years old. I figured out how to make myself invaluable to the organization by providing the resources necessary to advance the most pressing university initiatives.

Were you involved in founding Nelligan Sport Marketing?

My partner, T.J. Nelligan, started the business. Our relationship goes back nine or ten years. He had worked for Host Communications, heading up their sales operations for the NCAA corporate sponsorship program. He had a tremendous amount of success in his own right in that environment, selling over $100 million in sponsorships. We shared a lot of the same attributes, and we both loved building things.

At the start, we talked casually about the idea. But when he founded the company, maybe a year into it, we began discussing more seriously the possibility of combining our contacts, knowledge, expertise, and drive, along with a very similar philosophy of this industry. The more we talked, the more exciting our vision became.

T.J. had several properties before I came aboard. I believe he had St. John’s, Seton Hall, Rutgers, and the Big East Conference. We have now grown to over 20 properties. Our success comes from our belief that there is a tremendous opportunity in the marketplace and that, with our combined skills, we can fill the void. We set out to build a world-class marketing company specializing in the enhancement of resources in the college sport environment.

What's the incentive for an institution's athletic department to have a relationship with Nelligan Sport Marketing?

The biggest reason is specialization. College and university athletic departments aren't in the business of investing in high-level sales people who understand what corporate America is trying to achieve or how to create value from the assets they manage.

If you're on a college campus, your primary mission is preparing students and student-athletes for life beyond college. Investing in the infrastructure to maximize revenue is not. Nor, typically, is a director of marketing interested in doing that job forever or in maximizing significant revenues over the long haul. He or she usually has a different career aspiration—to become an athletic director.

It takes a unique set of skills to maximize these opportunities. Nelligan has been able to create a new model, an outsourcing model, which secures high-level sales people who understand what corporate America is trying to achieve in marketing to the university demographic and the value in helping companies influence the buying decisions of those consumers.

What is the fee structure? Do you pay a rights fee to them up front? Or is it a commission-based relationship?

We try to structure a strategic partnership that works for both parties, one in which we use each other's strengths and resources for the benefit of the partnership. Our role is to use the institution's marketing assets to create a long-term revenue stream for those properties.

Louisville is a great example. We have a 17-year relationship with Louisville that requires all parties to perform their due diligence on the front end. We structure the relationship so that we agree on an annual expense budget and then on a percentage split of the profit.

How do your employees represent themselves? Are they members of the athletic department staff, Nelligan Sports Marketing, or both?

We try to make the transition seamless. For example, at Louisville we have six full-time people on campus. Their business cards show a Louisville Cardinal and say "Louisville Sports Marketing." Below that, they say "A Division of Nelligan Sports Marketing." When those sales people go out into the market and talk to corporations, they're perceived as an extension of the University's athletic department.

We're very much an integral part of those departments. Our general manager is at the senior management meetings within the athletic department. For example, at one of our properties they needed golf carts. We traded media inventory with a golf cart manufacturer, and the athletic department got its golf carts. In another case, we secured a six-figure deal that included a $50,000 trade-out for headsets for the football program.

Does the institution have much say in who's going to be placed at a given property?

We try to find high-level sales individuals with experience, but the athletic director signs off the final approval. There has to be the right chemistry, somebody with whom the director feels he or she can work. But the person also has to have the skill sets that we're looking for. Selling is a very difficult profession and having that full complement of skills is important. There are some nuances unique to our industry, and we make sure that our guys are acutely aware of them. For example, there are sensitivity issues related to over-commercialization of amateur athletes.

What's the difference between representing an individual institution and a conference?

Well, they're similar and different in a lot of respects. Just like we say for properties, no two are the
same. There are different missions, agendas, interpretations, and thresholds of what you can and can’t do.

We try to understand what an institution needs. Is there an increased commitment to securing corporate revenue? Are there parameters and boundaries in which to do that? But, those issues are as germane in the Big East Conference as they are on any individual campus.

I remember sitting on the executive committee for the Big East and trying to increase revenues through effective branding and communicating the positive message about what our conference and its member institutions were doing. What we do to generate another incremental revenue source for the conference is provide them with resources to advance those initiatives. So in that respect it’s very similar.

**Have corporations’ goals for sponsor relationships changed?**

I’m in the boardrooms of some of the biggest Fortune 500 companies in America, and every one of the major marketing executives will tell you they’re not buying program ads, electronic messages, or radio and television spots. They’re buying the opportunity to affect the buying decision. They’re creating brand loyalty for life in the infinity group, which translates into sales.

Now that’s a different conversation than 99% of the people are having who are out there trying to market whatever assets they think they have. It’s a higher level of conversation and dialogue. These corporations can create entry-level positions for institutions’ graduates. They have dollars they can invest in educational initiatives. They can send their upper-level management to executive MBA programs.

Now, institutions don’t bundle all of these items together and talk about how a bank in a given market could be a good partner with an institution. They can go hand-in-hand, but it’s not just about buying a program ad or a radio spot, it’s

"Who’s managing the endowment?" How can we create a bridge program for an institution’s students? How can we provide what we’re good at, to complement some of the things that you’re trying to do? Corporations are willing to partner if you’re active in creating the win-win partnerships that corporations want.

**Do you find institutions receptive to this concept because, it seems, you’re stepping beyond sport marketing?**

Yes. While I was at Villanova I negotiated the pouring rights for the entire campus. I was also involved in making a deal with a regional bank that was much more comprehensive than athletics. Students, faculty, and staff wanted services on campus, so we created an even more synergistic relationship. Part of the partnership with the bank was on-site branches and ATMs.

We are talking to the presidents of those institutions and not just athletic directors. And you know, that’s where you have the greatest level of success, because it is not just an athletic initiative. Much of the value we create is for the university as a whole.

**What’s the biggest difference between your current position and the position you had when you were athletic director?**

I loved being an athletic director, and I love doing what I’m doing now. What drove me every day as an athletic director was knowing I was making a difference for the student-athletes, as trite as that may sound. For me that was significant. We could do the things that we wanted to because we had the resources. We could win at the highest levels, have great student-athletes that achieved academically, and have kids who were doing the right things in the community.

That’s also what drives me now. We are three years into this thing, and we’re where we thought we’d be in seven or eight. Knowing that we’re providing institutions with the resources to improve quality for their student-athletes has been rewarding. That’s really what we’re in business to do.

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Interviewed by
Matthew Robinson,
University of Delaware