

SCHOOL BOARD MEMO #19-20-06

DATE: 08/05/2019

TO: Members of the West Fargo School Board
FROM: Beth Slette, Mark Lemer, Dr. Allen Burgad and Ross Richards
RE: Contract with BSN Sports
FOCUS: Approve a 5-Year Contract with BSN Sports for the purchase of Nike gear by Sheyenne High School

The activities department at the Sheyenne High School has requested a proposal from BSN Sports for Nike gear. This proposal is similar to the agreement that was recently approved for West Fargo High School through Universal Athletics (UA) for Under Armour gear. Sheyenne High School has been purchasing Nike gear and has been satisfied with the products and services offered. They are requesting authorization to enter into a formal agreement with BSN Sports to take advantage of volume pricing and additional incentives.

Under this proposal, BSN is offering a 40% discount off list price on uniforms and apparel for 5 years, a buy one/get one free offer for uniforms purchased during 2019-2020, and a \$13,000 annual allowance to acquire standard Nike gear.

The chart below contains a comparison of the BSN Sports agreement for Sheyenne High School to the Universal Athletics agreement for West Fargo High School:

Incentive	BSN Sports (Nike)	Universal Athletics (Under Armour)
Annual Incentive for apparel	\$ 13,000.00	\$ 12,000.00
Rebate for qualifying purchases	10%	5%
Uniform Discount	40%	40%
Uniform Incentive for Year 1	Buy One – Get One	Buy One – Get One

Since these agreements are very similar and based on the School Board's previous action on the Universal Athletics agreement for West Fargo High School, the administration believes that the agreement with BSN Sports for Sheyenne High School should be considered.

Administrative Recommendation: The administration recommends that the School Board approve the 5-year contract with BSN Sports for Nike gear for Sheyenne High School.

Sample Motion: I move to approve the 5-year contract with BSN Sports for Nike gear for Sheyenne High School.



BSN SPORTS/NIKE TEAM REWARD PROGRAM

FOR

WEST FARGO SHEYENNE HIGH SCHOOL

BSN SPORTS (“BSN”) and NIKE TEAM (“NIKE”) are pleased to offer WEST FARGO SHEYENNE HIGH SCHOOL (“School”) the BSN SPORTS/NIKE TEAM REWARD PROGRAM (“Agreement”) for the purchase and supply of athletic apparel and equipment for use by the school and its interscholastic programs.

BSN SPORTS and NIKE TEAM Incentives: Subject to the terms below, in each year of this Agreement, School will receive the following Incentives. NIKE upfront comp product can be ordered starting July 1st of each contract year and must be ordered by December 31st of each contract year. Rewards Product Rebates must be used by June 30th of contract year. Product Rebates only apply to orders placed under the terms and conditions of this Agreement, including pricing. Incentives do not carry over from year to year.

- **NIKE Annual Incentive: \$13,000 of NIKE credit in each year of the Agreement.** Credit available to School in stock NIKE apparel/footwear at retail price.
- **BSN SPORTS Rewards Rebate Incentive:** School will receive a **10% product rebate** based on annual spending level in each year of the Agreement. Annual spending level includes all apparel, equipment, uniform, and My Team Shop orders placed under the West Fargo Sheyenne High School and West Fargo Liberty Middle Schools accounts with BSN Sales Pro in each year of the Agreement. Rebate back to School in BSN Direct Product or stock NIKE apparel/footwear at retail price.
- **BSN SPORTS Branding Package Incentive (\$4,100 Value):** BSN SPORTS wants to ignite your school spirit and community pride. School will receive package at no charge upon commencement of the Agreement:
 - **Media Power Package:** (1) 10’ x 8’ Deluxe Media Backdrop, (1) 8’ Table Cloth, and (1) 10’ x 10’ Pop-Up Tent
 - **Partnership Banner:** 3’ x 8’ grommated banner with School logo, BSN logo, and NIKE logo
- **VARSITY BRANDS Believe in You® Incentive (\$7,500 Value):** School will receive, at no charge, the Believe in You® episodic series designed to educate students and staff about the incredible power of believing in yourself, despite the challenges and trials that life may present. Each episode stars outstanding athletes and individuals across the country sharing their journey of self-discovery. Accompanying these videos are lesson plans and discussion guides to use with your students.
- **BSN SPORTS Sideline Store (\$12,000 Value):** Unique to BSN SPORTS, the Sideline Store is an online platform that is open 24/7/365 for faculty, students, fans, parents and alumni to order School spirit wear. There are no minimums and items can be personalized one at a time. Sport-specific options are available and School will receive a royalty on any purchases made through this platform.

BSN SPORTS Product Pricing: School shall be able to purchase products at the following discounts:

- NIKE Team Apparel/Stock Uniforms 40% off Retail Price
- NIKE Team Custom/Digital Uniforms 40% off Retail Price
 - Buy One, Get One Free (BOGO) for Uniforms in Year 1 of the Agreement
- NIKE Team Footwear 35% off Retail Price
- NIKE My Team Shop Stock Apparel 35% off Retail Price
- BSN SPORTS Direct Products Min. 15% off Catalog Price
- BSN SPORTS Catalog Branded Products Min. 10% off Catalog Price

Decoration charges are not included in the above stock discounts, but are included in Custom and Digital uniforms. BSN SPORTS Direct Products are identified in our catalog with a black star icon next to the product code. BSN SPORTS catalog branded products are products distributed by BSN from a manufacturer such as Wilson, Spalding, Rawlings, etc.

My Team Shop (“MTS”): BSN SPORTS’ online player pay site is required to be used by all School Varsity programs. All other programs including Middle School, club sports, and organizations will also be encouraged to participate. **All MTS sales, including to club and organizations, will count towards rebate goals.**

Uniform Order Deadline: School teams shall place orders with BSN for NIKE Custom/Digital uniforms by: (i) March 1 for fall sports; (ii) June 1 for winter sports; and (iii) December 1 for spring sports. Stock uniforms, stock apparel, footwear, and accessories can be ordered at any time.

Shipping: School will pay shipping charges on all orders.

Service Plan: The designated BSN SPORTS Sales Professional will commit to being on campus and meeting with staff as requested by the Coaches and Director of Athletics at the School. BSN is committed to a “team service approach”, to include, but not limited to a Customer Service Representative, a High School Territory Manager, Product Managers, a Branch Manager, and a Regional Sales Manager to assist the Sales Professional. School will also be enrolled in BSN Online Billing to make receiving, reviewing, and paying bills easier and more convenient.

Terms and Conditions: Only products purchased through BSN SPORTS Sales Pro will be eligible for the Product Rebate. Teams shall exclusively wear and use NIKE products provided by BSN SPORTS, transitioning into uniforms through normal uniform rotation cycle. School must be current on all payment obligations to BSN to be eligible for the Product Rebate. Programs for which NIKE does not offer uniforms (such as Hockey and Cheer) are excluded from wearing NIKE uniforms, unless NIKE offers a uniform option during the Term of the Agreement.

Term: The duration of this agreement is five (5) years from **July 1, 2019 to June 30, 2024**. Either party may terminate this Agreement in the event of the other party’s material breach of this Agreement if the other party fails to cure the breach within 30 days of written and specific notice from the non-breaching party.

Acknowledged and Agreed to:

WEST FARGO SHEYENNE HIGH SCHOOL

BSN SPORTS

Signature

Signature

Printed Name/Title

Printed Name/Title

Date

Date