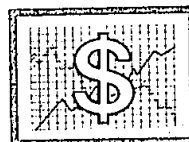


Business

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Michael Hedge revs up for the Detroit Grand Prix.

Agencies market 'new' Prix

By Gerald Frawley
staff writer

From a national perspective, the Detroit Grand Prix is one of the most well known events in Detroit, but with all the changes this year — not the least of which is a move to Belle Isle — it's not surprising marketing the event could be a big challenge.

Hedge & Company of Southfield, a public relations, advertising and marketing services company specializing in promoting original equipment and after-market automotive products, has been named the national marketing agent for the 1992 Detroit Grand Prix.

Michael Hedge, company president, said being the national marketing agent for the Grand Prix requires a great degree of balance.

Sponsors of a race want their name displayed and identified with the car, driver and crew; at the same time, too many sponsors would detract from the overall value of each sponsor.

"The big trick of marketing is managing the program so it has value," Hedge said, adding his contacts in the automotive market should enable his company to bring in sponsors the Grand Prix has never had before.

Any possible advantage is going to come in handy. "It's already crunch time."

That's all the more true this year because several important details about the 1992 Grand Prix were resolved later than usual.

First, there was the question of where — and even if — there would be a Grand Prix, he said.

Moving to Belle Isle for the 1992 is big move for the Grand Prix, which has previously been run on the streets of downtown, Hedge said.

Although the decision has been marked by some controversy and criticism, Hedge said he believes the move is a good one. "It's bound to make it more interesting."

Another factor that could have canceled the Grand Prix was who was going to be in the race. Detroit Renaissance Corporation didn't complete negotiations with Championship Auto Racing Teams, Inc. (CART) until December. "Normally, that's all done in the fall."

CART, the racing association made up of Indy car racers — as opposed to the Formula One cars — took over the Grand Prix in 1989.

There was also the question of who would televise the event. Previously, the Grand Prix has been televised by CBS, but in 1992, ABC will televise it.

FROM A MARKETING standpoint and as a racing enthusiast, Hedge said the changes for 1992 are for the better.

As a racing venue, Belle Isle will be an impressive course. The 2.1 mile, 14-turn track offers a challenging course, better public race viewing, and a stunning backdrop in the downtown Detroit skyline.

That helps his job, he said, "Advertisers want to be associated with positive things — the Detroit Grand Prix is an event that is

strictly positive — there is nothing negative."

"Belle Isle puts Detroit's best foot forward for a national television audience of an estimated 9 to 10 million," he said. "Can you imagine how good (the race) is going to look from the Goodyear blimp?"

ABC's televising of the event will also be a big plus, mainly because the network is carrying the Indy 500 two weeks earlier, Hedge said. "I'm sure the announcer's will be saying, 'Be with us in two weeks for the Detroit Grand Prix.'"

KEITH KAMINSKY, director of media relations for Detroit Renaissance Corporation, said marketing is critical even for an event as well known as the Grand Prix.

Kaminsky said when Detroit Renaissance began looking for a national marketing agent — Detroit Renaissance handles local marketing — it wanted someone who knew the automobile racing business. "It's without a doubt that Hedge & Company has a great reputation in marketing, but even more importantly, he (Michael Hedge) has a great reputation in motorsports."

"He's a believer — he's a believer in the race and he's always been a big supporter of racing in general," Kaminsky said. "Hedge & Company was the logical choice."

"The Grand Prix is the type of event that accomplishes the goals of the non-profit organization — revitalizing the city of Detroit," he said. "It shows our city is a viable place to live and come and do business in."

Detroit Renaissance also sponsors the Freedom Festival and the Montreux-Detroit International Jazz Festival.

BRUCE SEDIK, senior account manager for Hedge & Company, said the first order of business is to line up a title sponsor. The title sponsor is the primary sponsor.

In past years, the title sponsor has been Valvoline, but the company won't be returning as this year's title sponsor.

After a new title sponsor is chosen — or more accurately, while the title sponsor is being chosen — the company begins contacting potential major and associate sponsors. "There really isn't a series of steps that we go through — many things are happening at once," Sedik said. Every national sponsor wants to make sure their name is displayed prominently, Sedik said, and one of the most important jobs he will have in the coming months is to make sure the sponsors' names and logos get placement during the race.

That means working with the track set up and television crews to make sure everything goes off without a hitch, he said. "Basically, you start with turn one, and go through to 14."

There is also a lot of work to be done with national sponsors who want to run special events, Sedik said. It's not unusual, for example, that a national firm will use the Grand Prix as a launch point for a local or regional sale or promotion.

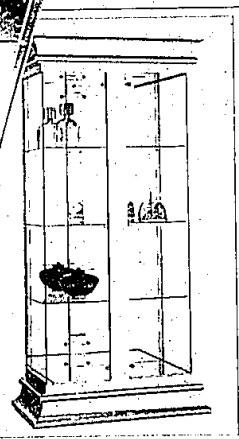
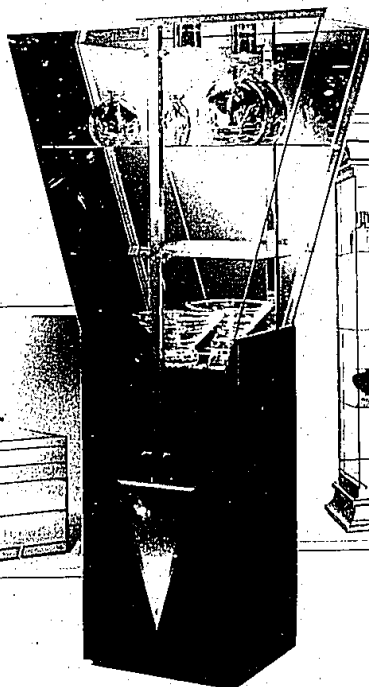
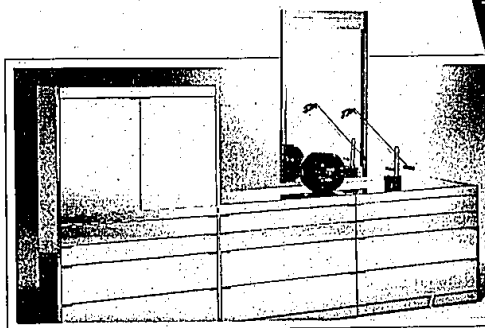
Others use the Grand Prix for product demonstrations. Product demonstrations are important marketing tools for equipment and after market manufacturers.

"Some of the technology transfers from motorsports to everyday family cars of the future," he said.

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