

### CHESAPEAKE ENERGY ARENA AT A GLANCE

LOCATION: Oklahoma City

**OPENED:** 2002, renovations began in 2009 and will finish in 2013

RENOVATION COSTS: \$94.4 million

(plus \$18.2 million for a practice facility)

**ARCHITECT:** Benham Companies and

SinkCombsDethlefs

**MANAGEMENT:** SMG

**ANNUAL EVENT DAYS: 110** 

CAPACITY: 18,203 seats for basket-

ball, 19,211 for concerts

NAMING RIGHTS: \$3 million a year for

12 years

**CONCESSIONAIRE:** Savor... manages Main Level and 300 Level, Levy Restaurant serves Club Level and

Suites

**MAJOR SPONSORS:** Love's Country Stores, Cox Cable, U.S. Cellular, Kia Motorsports The new entrance at Chesapeake Energy Arena. (Photo by Rob Ferguson)

## **OPEN HOOPS**

Chesapeake Energy Arena completes construction after more than

three years of upgrading to NBA standards

by JESSICA BOUDEVIN

or Oklahoma City Thunder fans, the new experience starts as soon as you see the building. The southwest entrance to Chesapeake Energy Arena in Oklahoma City has gotten a makeover. A glass and metal structure creates an open look from the time fans spot it

when they're on the I-40, headed toward the arena. Upon entering, their feet fall on the National Basketball Association OKC Thunder logo emblazoned in the terrazzo tile floor.

"The new entrance has tremendous visual impact and really gives you a good feel coming in," said Karina Henderson, corporate



Communications manager for the Oklahoma City Thunder.

And the changes don't stop there. The 18,203-capacity Chesapeake Energy Arena underwent more than three years of renovations that touched almost every part of the building.

"When the SMG staff and the City of Oklahoma City started working on the project there were three goals: to meet NBA requirements, enhance revenue-generating opportunities and improve the guest experience," said Chesapeake Energy Arena GM Gary Desjardins.

### STEP ONE

Construction took place during three phases between seasons at the SMG-managed facility. The first phase was focused on refurbishing the restrooms, upgrading lighting, and making sure broadcasting capabilities were up to NBA standards. Wynn Construction handled Phase A, with architects Benham/SinkCombsDethlefs, which designed the whole project.

"The NBA has a pretty detailed list of what their standards are from the facility end," said Desjardins. "I'm not going to say it was easy to figure out."

"A lot of the initial changes were broadcast and cabling infrastructure, as well as the support space needed for all the equipment. Then it went from everything down to the height of doors and how we light the court," he added.

Don Dethlefs, from the project's arena design consultants SinkCombsDethlefs, explained that buildings used to mainly light the floor of the facility. The NBA has since realized that it looks better on television to make sure part of the crowd is lit, also.

"They want it so you see more of the crowd. There are also way more camera positions," said Dethlefs.

Other renovations included raising the showerheads and adding an extra entrance to the court for officials.

"Nothing's necessarily weird because there's a logic behind everything," said Desjardins. "When you think about it, it makes perfect sense to raise the doors to nine feet tall."

### **STEP TWO**

For Phase B, the building closed for five months in the summer of 2009. Renovations included terrace suites, bunker suites and a merchandise store, as well as refinishing the upper level concourse and upgrading seating in the lower bowl. Construction company FlintCo, which handled Phase B, also upgraded restrooms. The 2009 renovations capped off with a \$3.9-million scoreboard by Daktronics.

The scoreboard is made up of 10 video displays with an LED ring that can show statistics and sponsor promotions crowning the center-hung device. Two of the bottom video panels are tilted to provide easy viewing for fans with courtside seats.

"A lot of thought went into what type of board we were going to have. We didn't want something that was kind of cookie-cutter. We wanted something a bit unique," said Desjardins.

"There's a bit of an angle on the bottom wedges of our video board so it's easier to see and the folks who are sitting courtside don't have to look straight up."

### STEP THREE

Phase C was completed October 2012 but ended up being squeezed into a tight time frame due to the team's success. The final renovations, consisting of offices for the OKC Thunder, will finish in the spring.

"Everybody wanted the Thunder to go all the way to the NBA Finals, but there was part of us that kept thinking about the construction schedule because we'd basically lose two months out of a five-month window," Desjardins added. "In 2011 it put a lot of stress on all of us — the architects, contractors, subcontractors, Thunder and our staff — trying to get all of the work done and get the building back open in time for the start of next season."

Manhattan Construction was in charge of Phase C of the work, which included the new Grand Entrance with a multistory atrium and terrazzo tile flooring. A new dining option, Center Court Grill, was completed for the start of the season. The full-service restaurant opens

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# SEE WHAT'S NEW

Clients and guests at Chesapeake Energy Arena are thrilled with the building's expansion and renovation. Featuring a new grand entrance and restaurant options, the arena has improved everything from locker rooms and restrooms to floors and digital signage.





MG An SMG Managed Facility

SAVOR...

SAVOR, our food and beverage division, operates the new premium dining areas found at Chesapeake Energy Arena. This includes the Center Court Grill, the new urban hot spot for guests at the arena, featuring grilled entrees, sandwiches and house-made BBQ.

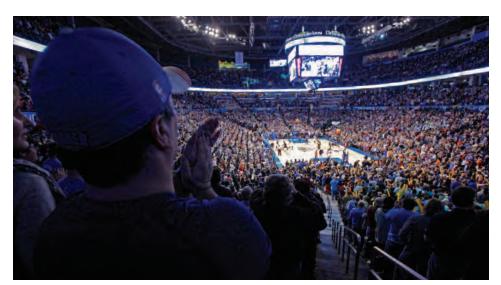
With all of the upgraded amenities, flexible seating options (from 4,000 to 18,000), the convenience of our location (right off I-40, near I-35) and the support of our dedicated staff (including our award-winning marketing team), Chesapeake Energy Arena keeps the fans coming in (more than one million each year), and the stars coming back for more.



# A THUNDERFUL LOVE AFFAIR

Oklahoma City had to make some big promises to get an NBA team in a small market

by JESSICA BOUDEVIN



Fans fill Chesapeake Energy Arena to cheer on the Oklahoma City Thunder. (Photo by Paul Wilson/OKC Thunder)

few years ago, when someone said Oklahoma City, barbecue would be more likely to come to mind than basketball. Today, with an overhauled home venue in Chesapeake Energy Arena, it's hard to think of Oklahoma City without mentioning the OKC Thunder of the National Basketball Association.

Not only are they the only major league team in the state of Oklahoma — they're good.

As of Jan. 4, the Thunder was locked into a three-way tie for first place in the Western Conference with the San Antonio (Texas) Spurs and the Los Angeles Clippers. The team's record stood at 24 wins and 7 losses. In 2012 the Thunder won the Western Conference championship.

"Winning certainly helps; I'm not going to discount that," said facility GM Gary Desjardins, "but even in the first year the community really embraced the Thunder."

"It's been a love affair ever since," he added.

### **GETTING THE TEAM**

It took a tragedy for a number-43 market to be seriously considered for an NBA franchise. After Hurricane Katrina, the New Orleans Hornets temporarily relocated to Oklahoma City in 2005. Of the 36 games played at the venue, then called the Ford Center, 18 sold out.

"For the NBA, when Oklahoma City host-

ed the Hornets for those two years, it solidified all the work we had done with the arena and with the city," said OKC Thunder Corporate Communications Manager Karina Henderson.

Arena design consultants SinkCombsDethlefs worked on Chesapeake Energy Arena's original construction and recent renovations. The company's Don Dethlefs said that Clay Bennett, owner of OKC Thunder, "has said that a lot of people didn't take Oklahoma City seriously because they thought it was too small for an NBA team, but when the Hornets came and they sold out the building and everyone really supported the team, I think that really helped change the perception."

Building management also had to work to convince the Seattle SuperSonics that Oklahoma City was the right fit, and conceded certain revenue streams.

"We needed to make sure that financially the deal was structured so the team could be stable. What works in Oklahoma City may not work in New York, L.A. or Chicago, or any bigger market, but it does work for Oklahoma City," said Desjardins.

### **BUILDING IT IN**

As part of a \$94.4-million renovation, Chesapeake Energy Arena achieved NBA standards and built in revenue-generating opportunities.

Bunker suites, terrace suites and premiumlevel amenities were added, including a courtside club. Court-level suites were also added.

"Part of it was about the amenity package, but all the way along, we made sure to upgrade



the building for the regular fans as well," said Dethlefs.

Features include improved concourses, better finishes throughout the building, additional concessions stands, and a new Grand Entrance.

The deal has paid dividends for the arena, which has gotten incredible exposure and tax-funded upgrades.

### **OUT IN THE COMMUNITY**

The experience extends to time off the court, as well. In November, the Thunder commemorated their 1,000th player appearance in the community. The team has about 20 ongoing programs that bring players out into the city to make appearances at special events in conjunction with nonprofits and community groups.

The connection between the revitalization of Oklahoma City and the Thunder is not lost on the team.

"It's incredible to see the connections that are made between the team and the identity of the city. They really see Oklahoma City and the Thunder coming up together," said Henderson.

Interviewed for this story: **Don Dethlefs**, (303) 308-0200; **Gary Desjardins**, (405) 602-5126; **Karina Henderson**, (405) 208-4788



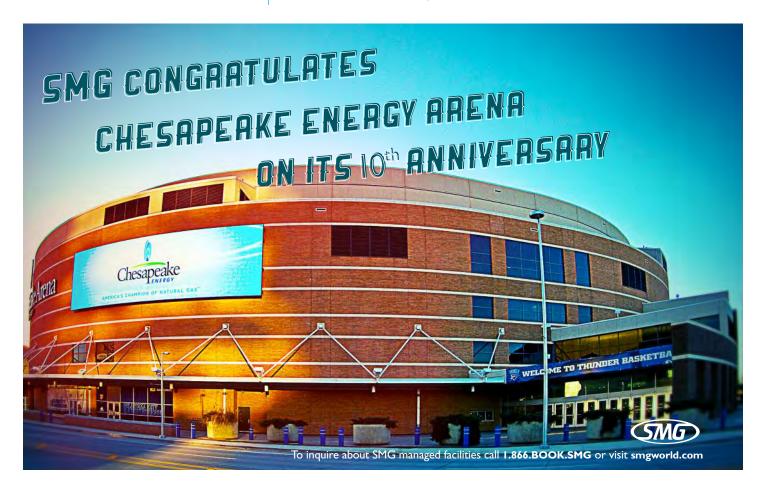
### DOWN THUNDER ROAD

Few NBA teams pack the economic punch of the Oklahoma City's Thunder, which manages sponsorship sales including naming rights, and all premium seating inventory at Chesapeake Energy Center. Below we look at the impact of the team on the building's bottom line.

NAMING RIGHTS — The Thunder pays a reported annual fee of more than \$400,000 to the city for the rights to sell the building's name. In 2011, Chesapeake Energy struck a deal with the Thunder to rename the arena Chesapeake Energy Arena for 12 years at \$3 million for the first year with a three-percent increase annually.

SPONSORSHIP — The Thunder ranks at the top of NBA for sponsorship sales, and has secured deals for Love's Country Stores, which sponsor the Love's Loud City section of the building. There's also the Cox Club Level, the U.S. Cellular Thunder Box, and the Jack Daniel's Old No. 7 Club.

TICKET SALES — The Thunder ranks 13th in the league in overall attendance — so far in the 2012-13 season, every home game has sold out. Even the first year the Thunder arrived for the 2008-09 season, Chesapeake Energy Arena had 18 sellouts. More than three quarters of the 18,203 seats are set aside for season tickets. The Thunder imposed a cap at about 14,000 season tickets, but has a waiting list of more than 1,000 fans.



### **GOOD EATS IN OKC**

With a new restaurant option and a focus on barbecue, Chesapeake Energy Arena ups its culinary game

by JESSICA BOUDEVIN



Food is served at Center Court Grill, a new dining option at Chesapeake Energy Arena. (Photo by Rob Ferguson/Chesapeake Energy Arena)

pgraded concessions was a big part of the renovation when Chesapeake Energy Arena secured the National Basketball Association's Oklahoma City Thunder.

"We renovated the Jack Daniels Old No. 7 bar and added Center Court Grill and Carvery," said Steven Tamborello, director of Food and Beverage for Savor... at Chesapeake Energy Arena.

### **OPEN OPTIONS**

The SMG-managed facility splits its food and beverage operations between two companies. Levy Restaurants manages and operates food service on the club level and all 36 suites, also managing The Pub, the new Courtside Club, Victory Club, and The Sunset Carvery.

Joe Guthrie, director of Operations at Levy Restaurants for the venue, said that food and beverage is a challenge because nearly every home game is a sellout. To maintain sales, Levy themes several games with different types of cuisine.

"We have to be really diverse in the menu and always be changing it up because we see those guests 43 nights a year," added Guthrie.

SMG's Savor... Oklahoma City operates the main-and 300-level concessions. In addition to traditional concession-stand offerings, there are themed stands offering a taste of something different.

"We're making a great crab cake sandwich," said Shaun Beard, senior VP at Savor...

### **OKLAHOMA STYLE**

Barbecue is featured at the new Center Court Grill and Carvery. The restaurant is broken into an a la carte restaurant, Center Court Grill and the Carvery, by Savor... with a chef's table and hand-carved meats that are smoked inhouse and served buffet style.

Center Court Grill is open on event days and has a private dining room seating 40 that can be rented. The restaurant isn't generally operational on nonevent days; however, it can be rented for private functions.

On the Levy Restaurants side, The Reserve at Victory, the Pub, Courtside Club and Executive Board Room are available for private functions.

Levy Restaurants has several chicken options that are very popular, including a chicken stand. And, of course, there's chickenfried steak.

### **IMPROVED EXPERIENCE**

On the main level and 300 level, Tamborello said that Savor... has about 125 points of sale. For a Thunder game, per caps come in at about \$12 per person, which includes sales from the entire arena including the Levy Restaurants concessions.

"I have to say the thing that sets Oklahoma apart is the service and the partnership we bring with the Thunder," he said.

"We fully integrated so you can't really see a differentiation between our folks, the building's staff, and the Thunder people other than maybe the name badge we have to wear," said Beard. "Everyone there is 100-percent focused on the guest experience and making us the best."

Interviewed for this story: **Shaun Beard**, (610) 729-7916; **Joe Guthrie**, (405) 602- 8054; **Steven Tamborello**, (405) 604-9853

### **OPEN HOOPS** CONTINUED FROM PAGE 17

two-and-a-half hours before basketball games and can be rented for private functions on nonevent days. There is also a family fun zone.

"Because it was done over a number of years, Chesapeake Energy Arena really had to be designed around being a phased project," said Dethlefs.

### **GETTING IT STARTED**

"The original building was designed to be upgraded, but not necessarily host a National Hockey League or NBA team," said Dethlefs. SinkCombsDethlefs also served as arena design consultants for Benham on the building's original design when it broke ground in 1999 as part of Oklahoma City's Metropolitan Area Projects, or MAPS, program. Voters in Oklahoma City approved a penny-on-the-dollar sales tax in 1993 to last five years and fund nine capital improvement projects, including the sports arena.

The New Orleans Hornets used Chesapeake Energy Arena after Hurricane Katrina.

"That kind of exposed our audience and the NBA to the idea that it could work in Oklahoma City," said Oklahoma City Mayor Mick Cormett.

"Subsequently, the Hornets went back to New Orleans but the Seattle Sonics ultimately decided to leave Seattle and we were able to get the team conditional on improving the arena," he added.

The original building wasn't built to NBA standards, so Chesapeake Energy Arena had to commit to renovations before a team came to the city.

Voters approved a one-cent sales tax March 4, 2008, which was a giant step in securing the move of the Seattle SuperSonics to Oklahoma City, where the team would become Oklahoma City Thunder.

Actual building renovations cost \$94.4 million, with an additional \$18.2 million put toward a practice facility.

"We integrated all of the NBA standards into Chesapeake Energy Arena and if they should change in the future or evolve, I think the building has enough flexibility to accommodate that," said Dethlefs, who added that some of the standards were exceeded to increase longevity.

Desjardins said that the next step for the arena, after completing the OKC Thunder offices, is to enhance the WiFi and distributed antenna systems. There's currently a request

for proposals for the project.

For now, the GM is more focused on getting used to having an operational building year-round.

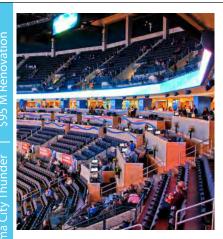
"It's hard to say how many event days we have each year because we keep being shut down for five months of the year for construction," said Desjardins, who added that he estimates about 110 event days annually.

With construction complete, Desjardins said he hopes to add more event days to the calendar. However, the Thunder are a strong

team, which makes the playoff period a challenge.

"We expect that we'll go pretty deep in the playoffs. That leaves us pretty much August and September to look at and try to fill those two months, which are typically slower for arenas anyway," Desjardins said.

Interviewed for this story: **Mayor Mick Cornett**, [405] 297-2424; **Don Dethlefs**, [303] 308-0200; **Gary Desjardins**, [405] 602-5126; **Karina Henderson**, [405] 208-4788





Home to the

Oklahoma

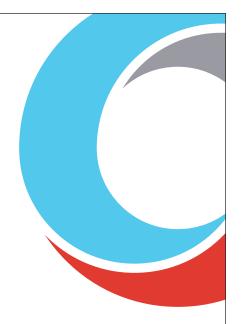
Oklahoma

Center

Chesapeake



Photos: David McNeese Photography



Great results come from a great team. We are proud of the outstanding transformation of the Chesapeake Energy Center home to the Oklahome City Thunder.



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