

# ATLANTA BUSINESS CHRONICLE

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## EXCLUSIVE REPORTS

# Sports tray wins fans at arenas

By Jim Lovel  
 Atlanta Business Chronicle

Nov. 17 — George Poston is changing the way food and drinks are served at sporting events. Earlier this year, Poston invented StadiumTray, a corrugated cardboard

food and beverage holder that rapidly is replacing the traditional fiberboard carriers that have been used in stadiums and arenas for years. StadiumTrays are sturdier, easier to carry and hold more food and drinks than the fiberboard trays.

Poston provides the trays free to concession operators and pays the

**Starting out**  
 Entrepreneurs like Tommie Jones talk about how they launched their businesses.  
*Georgetown*  
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**Hospitality Hall of Fame**  
 The late Howard Jackson is honored for his work at the city's airport.  
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Sales of shopping centers increase **Page 4A** | Equity Office Properties Trust CEO bullish on Atlanta **Page 5A**

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**INSIDE**

**The Insider**  
 All sorts of guests stopped in at a celebration of the opening of the Crow Hotel at CNN Center **6A**

**Residential mobility**  
 A new report shows that Georgia has a higher than average percentage of residents who have moved from other states since 2000. **14A**

**What they are saying to they want their monopoly back and they'll use every means to do so**

**Firestorm over 'Bell Cartel'**  
 Big, small telcos at odds over industry regulation  
*By Justin Rubin*  
 The U.S. House of Representatives said Nov. 12 it would not investigate the U.S. Telecom Association for possible anti-trust violations. The decision follows a controversial secret meeting in October arranged by the trade group that outlined an aggressive \$40 million campaign to oust federal government telecommunications regulations. Among those attending the Washington, D.C., meeting were CEOs of the country's two largest telecom carriers, including F. Duane Ackerman of

**Atlanta-based BellSouth Corp.** (NYSE: BLS). Also present were CEOs of 19 much smaller telecom suppliers. A firestorm of opposition erupted after word broke of the meeting. On Oct. 31, 2003 competitors with the Association of Local Telecommunications Services wrote a scathing letter to Congress asking for an antitrust inquiry, based primarily on a USTA request that small suppliers contribute money to the campaign. But ultimately, a House spokesman said, the meeting is protected by the

**Metro Atlanta bank deposits surge as area grows**  
*By Meredith Jordan*  
 Metro Atlanta's banking market is no longer just a bank lobby's growth in deposits by at least 15 percent between June 2002 and June 2003, it lost market share. Fifty-seven of 124 banks in the Atlanta metropolitan statistical area (MSA) owned by the Federal Deposit Insurance Corp. reported 14 percent deposit growth from June 30, 2002, to June 30, 2003, according to newly released numbers by the FDIC. Such rapid growth helped metro Atlanta move up one spot to become the country's 125th largest MSA in terms of deposits, with \$74.1 billion. Georgia

**Atlanta rental car companies plan to grow**  
*By Lisa K. Schoenfeld*  
 Atlanta's rental car industry continues to grow, and several of the top national car rental companies plan to expand here in 2004. Dollar Thrifty Automotive Group Inc. (NYSE: DTHG) recently bought the six Thrifty Car Rental franchises in Atlanta to make them corporate stores and plans to add three more suburban locations next year.

**Scoring with an idea:**  
 George Poston with his StadiumTray, which plugs arena concessionaire director Larry Carlson calls "the best thing I've ever seen."

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sports facilities to use them. He makes his money by selling advertising on the trays.

"I've been in this business 30 years and it's the best thing I've ever seen," said Larry Carlson, director of concessions for Philips Arena in Atlanta. "This is like the first one who sliced bread."

Poston said he has distributed more than 1 million of the trays since August and expects to distribute 5 million by this time next year. Based on the initial success, he predicts he will be distributing 75 million of the trays annually within five years and his company, Spectator Advertising Solutions Inc. of Kennesaw, will have annual revenue of about \$35 million.

StadiumTray is the culmination of Poston's 30-year career in marketing. As a former vice president of sales and marketing at several software companies, he led the introduction of such products as Tetris, the Falcon F-16 flight simulator, and computer and video game versions of "Jeopardy," "Wheel of Fortune," "Family Feud," "Password" and "American Gladiators."

"I've personally caused to be sold about \$700 million in products over the past 30 years but I've never had a product as well-received as StadiumTray," said Poston, who is CEO and president of Spectator Advertising Solutions.

Poston invested \$100,000 of his own money to open the company and begin developing the tray. He soon added four other investors who made combined investments that added another \$400,000 to the company. It took him about a year to create the tray now being used at Philips Arena, Turner Field and 18 NCAA Division I universities.

### **Food for thought**

Concessionaires at sporting events have embraced the product because they get the trays free instead of spending as much as 20 cents for each of the traditional fiberboard trays. At Philips Arena, the savings will total about \$40,000 annually.

Stadiums and arenas like it because they get 5 cents from Spectator Advertising Solutions for each tray used. At Georgia Tech, which began using the trays during home football games this year and will use them for all the school's sporting events, that will total about \$3,000 during the current school year.

Poston's company makes money by selling advertising on the trays, a space equal to about four pages in a magazine. He charges a company 50 cents for each tray to be the exclusive advertiser at a sporting event.

"We aren't in the tray business. We are in the advertising business," Poston said. "Our delivery mechanism is a tray."

Best Buy Co. (NYSE: BBY) of Richfield, Minn., was the first company to advertise on the trays and has bought all the space on all the trays produced so far, he said. Executives at Best Buy declined to discuss the details of their arrangement with Poston but Dawn Bryant, a company spokeswoman, said the company bought the advertising on the trays because it supports the company's existing sports marketing program.

Best Buy, like other major retailers he approached, was reluctant to buy advertising on the trays because he had no history to prove it would work, Poston said. After he conducted several surveys that suggested fans wanted a better tray, he convinced Best Buy to try it. The company tested the advertising on trays at Atlanta Braves games at Turner Field and Atlanta Thrasher and Hawks games at Philips Arena before expanding to all the college football venues, Poston said.

"It has exceeded their expectations," he said.

Poston has negotiated with other companies to sell advertising space as the use of the trays expands, he said.

Sodexo USA, the North American division of Sodexo Alliance S.A. (NYSE: SDX) of France, worked with Poston during the development of the trays and is using them in all the company's sports arenas and stadiums throughout the Southeast, according to John Bluck, district manager of Sodexo USA's Southeastern region. Sodexo is the world's largest food service provider with annual revenue of more than \$12 billion and more than 315,000 employees.

Since August, Bluck said he has used more than 250,000 trays and expects to use another 500,000 by June. The trays have reduced the company's expenses for paper products by about 50 percent, he said.

Bluck said he notified the company's U.S. headquarters of the product and it has spread to at least three other regions. He expects the company to use the trays at all its venues nationwide within the next year.

"I don't see a downside," he said. "I've tried to find one and I just don't see it."

The trays are being manufactured by Pratt Industries, a Melbourne, Australia-based company with its U.S. headquarters in Conyers. Poston worked with Pratt's designers for several months to develop the trays. They developed at least 20 prototypes before deciding on the current design, which includes holders for four drinks, a larger tray area than the fiberboard trays, a laminated finish that limits the amount of moisture that seeps through the tray and finger holes.

The trays are made from recycled paper supplied from the company's plant in Conyers and manufactured at the company's Winston-Salem, N.C., plant.

Pratt has made more than 1 million of the trays in the past four months. At the current rate of growth, the company will have to expand its Conyers and North Carolina plants to meet the demand, said Ron Sandberg, president of the company's display and graphic packaging group.

"The growth has been phenomenal, unbelievable," Sandberg said. "It looks like it is going to be very big."

## **Numbers 'ad'-ing up**

Sodexo's general managers at Georgia Tech and Auburn University share the enthusiasm.

Grant Reed, general manager at Georgia Tech, said the company will save about \$2,500 by replacing the fiberboard trays with StadiumTrays at Tech's six home football games this year. The university also received about \$200 for each game from the 5 cents Poston's company pays the venue for each tray distributed.

The trays are popular with fans, Reed said, because they make a suitable plate to hold food and drinks while fans eat. Many fans take the trays home because they have the school logo and game schedules printed on the bottom, he said.

The experience has been much the same at Auburn, said Jamie Crow, Sodexo's general manager at the university.

"It's a no-brainer," Crow said. "It's one of the neatest things I've ever seen."

He has distributed about 125,000 of the trays during home football games at the university this year, he said, and will use the trays for every other event at the university during the remainder of the school year. Last year, there were 192 sporting and entertainment events at the university that attracted more than 1 million people, he said.

Poston already is expanding the concept. He is finalizing contracts with 11 more universities now. The trays will be used at the Super Bowl game in February. They will be at 18 NASCAR tracks next year. He expects the trays to replace fiberboard trays at more than one-third of the nation's major sports venues within the next 18 months.

He recently submitted a proposal for a \$250,000 contract with the U.S. Navy to put recruitment advertising on the trays and is negotiating with sports venues in Australia that are interested in using the trays.

Future plans include selling it in retail stores for use at home cookouts, birthday parties and holiday events. Poston is negotiating the rights to put licensed images, such as movie and television characters, on the trays. He also is considering decorating holiday trays with images relevant to each season, he said.

"The potential is almost limitless," he said.

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