

Carts line up before a shotgun start at an Applied Underwriters Invitational event.



Applied Underwriters Invitational puts charities on course

BY JOHN STEINBREDER • GGPBIZ • OCT. 25, 2023

Months after graduating from Tufts University in 1985 with a B.A. in economics, Loren Shapiro joined the consulting division of IMG, the sports marketing behemoth founded by the late Mark McCormack.

“My first job there was running rodeos out West in a partnership with the Professional Rodeo Cowboys Association,” Shapiro said. “We had developed a program called the Winston Tour, which was named after the cigarette company that sponsored it and modeled after the Winston Cup on the NASCAR circuit.”

One time between competitions in Texas, he accepted an invitation to play in a charitable golf outing at Colonial Country Club in Fort Worth.

“During that round, which was my first scramble ever, a light bulb went off in my head,” said Shapiro, who had played on the golf team at Tufts. “And I suddenly asked myself, why not stage tournaments like this all over the country in ways that benefit sponsors and nonprofits alike and help golfers of all abilities play together?”

Later that day, he posed the question to colleagues over drinks at the Stockyards in that historic cowtown. They, too, thought the concept had merit, which prompted Shapiro to pitch it to McCormack, the father of sports marketing.

“Mark listened to my proposal,” Shapiro said. “But he told me afterwards that IMG did not do charity events.”

With that turndown, Shapiro went back to activities such as team roping and bulldogging. But he could not get the golf tournament idea out of his head. So in 1987, he left IMG to start his own firm, Fortune Marketing Unlimited. Soon after, he secured a title sponsor in Seagram for a series of charitable outings that culminated in a national championship pitting the winning teams from each of those against one another.

“Our goal from the beginning has been to organize the highest-quality charity golf event that allows everyone to be a winner. The charities make money, the golfers have a great time and the sponsors have a return on their investment that justifies their doing this.”

LOREN SHAPIRO

Shapiro put on the first event in the spring of 1988 at the Dunes golf course in Las Vegas. And he went on to organize 49 other tourneys that first year as part of what was dubbed The Glenlivet Scotch Scramble, after one of the distiller’s higher-end products. Each event began with a mid-morning registration, followed by warm-ups on the practice range, lunch and then an 18-hole scramble. Afterwards, participants gathered for cocktails and a gala dinner.

The initiative took off, and 36 years later, Shapiro and his company are still in the charitable outing business. Along the way, they built the biggest amateur golf competition in the land and what he describes as the No. 1 charity event in golf.

“We started with one charity, the National Kidney Foundation,” Shapiro said. “Then in 2006, we began adding others, and today support 68 national and local nonprofits.”

He also took on other national presenting sponsors through the years, and that group currently includes Cobra Puma Golf, Bass Pro Shops and Bridgestone. Shapiro has national marketing partners, as well, among them SportsBox AI and Golf Text.



Loren Shapiro (far right), in his early days staging rodeos on the Winston Tour

To better understand the size and scope of the series, consider this season's edition, which now has as its title sponsor Applied Underwriters, a global risk services firm headquartered in Omaha, Nebraska. The Invitational is composed of 75 individual tournaments that are held at different courses and clubs across the United States from June 2023 to March 2024. And when all is said and done, some 11,000 golfers will tee it up in those events, which are expected to provide more than \$10 million in net proceeds to charity.

And by the time the national final – a four-day, 72-hole scramble at Big Cedar Lodge in Ridgedale, Missouri – is played in May 2024, Fortune Marketing Unlimited will have conducted roughly 4,500 tournaments since that first tournament in Vegas nearly four decades ago – and raised a total of \$286 million for the nonprofits.

To be sure, the charities are big winners in this endeavor. But sponsors also have done well, thanks to the many ways those competitions have bolstered their top and bottom lines.

“The golf environment is such a great place to do business,” said Shapiro, who is the president of Fortune Marketing as well as the national tournament director for the Invitational. “And our sponsors appreciate the opportunity to get in front of customers and clients for extended periods of time on neutral ground and at some very good golf venues, from Pebble Beach, Pinehurst and Winged Foot to TPC Sawgrass and the Olympic Club.”

“They also like that each tournament is, in fact, a local tournament,” added Skip Jenkins, who joined Fortune Marketing in 1991 and serves as its senior vice president. “The money raised for charity stays in the community. The sponsors and participants are connected to those same communities and share many of the same goals and objectives in helping them out. Our tournaments are that much more meaningful to all involved as a result.”

“Our goal from the beginning has been to organize the highest-quality charity golf event that allows everyone to be a winner,” Shapiro said. “The charities make money, the golfers have a great time and the sponsors have a return on their investment that justifies their doing this.”

Shapiro goes back to the early days of the Invitational to provide an illustration of that.

“Remember, sales of brown liquor were going to hell in the late 1980s, and Glenlivet was not particularly well known,” he said. “Seagram saw the sponsorship as a sales opportunity, and the only way to sell liquor that nobody knows about it is to get them to sample it. So, we set up samplings at each tournament. In addition to creating a lot of new individual customers amongst our golfers, it



Shapiro (left) is shown with 2023 European Ryder Cup captain Luke Donald, who is sponsored by Applied Underwriters.

also led to every one of the clubs that hosted one of our scrambles to start carrying Glenlivet. And total sales for that whisky brand increased three years in a row."

Those were good numbers, and the people at Seagram were pleased. So was Shapiro.

"But we had problems with Glenlivet as our title sponsor because back then, you could not advertise distilled spirits," he said. "Given that, we asked Seagram to take a presenting-sponsor position instead and continue with the sampling while we found another title sponsor in Cadillac.

"At that point, the tournament became the Cadillac Invitational."

As was the case with Seagram, Cadillac wanted to use the scrambles as a way to get its cars in front of affluent consumers. "Eventually, we came up with the idea of offering test drives through local dealers after registration," Shapiro said.

How did that work out?

"The first time, at a tournament in Houston in September 1991, we sold 21 cars to tournament participants out of a field of 144," Shapiro said. "It was insane given that Cadillacs were going for \$40,000 or more back then. But that is how people responded. And over the 19 years that Cadillac was a title sponsor, they sold on average eight cars per event."

"Applied Underwriters went private in 2019 and since that time has made a number of acquisitions. They liked how our program was spread out across the country, which gives it many ways to promote its philanthropic ventures."

SKIP JENKINS

Shapiro said they continued to conduct whisky tastings after Seagram stepped down as a title sponsor. "But only after the test drives were done," he added with a chuckle.

Much to Shapiro's dismay and also that of the automaker, the relationship between Cadillac and the Invitational ended in 2009.

"It was due entirely to outside forces and the government not allowing anyone who took bailout money from the feds during the Great Recession to engage in sports marketing," he said. "As a result, we could not work with Cadillac anymore."

But Shapiro said the Invitational found an equally strong partner in Liberty Mutual, which took on the title sponsorship.

"At the time, they were predominantly a commercial insurance company that did not do any television advertising," he said. "They saw our program as a collaborative client-broker entertainment effort, and one that took place in many of their most important markets. And they were very pleased with the results."



Invitational supporters Nancy Lopez (left) and Annika Sörenstam with Shapiro

Though he will not get into specific amounts, Shapiro said that Liberty Mutual was able to secure tens of millions of dollars of new business through the years as a result of relationships that were forged during the charity outings.

In 2023, Shapiro and Jenkins engaged a new title sponsor in Applied Underwriters.

“It is a very interesting company, the majority of which was owned for a time by Warren Buffett’s company, Berkshire Hathaway,” Jenkins said. “Applied Underwriters went private in 2019 and since that time has made a number of acquisitions.

They liked how our program was spread out across the country, which gives it many ways to promote its philanthropic ventures.”

And according to Jenkins, philanthropy is very important to the concern. “Its founder and chairman, Steve Menzies, believes that the best way to do good is to make a lot of money so you can do as much good as possible,” he said.

At one point during the discussion process about Applied Underwriters becoming a title sponsor, Shapiro invited Nate Wells, the company’s director of brand communications, to one of the tournaments.

“I spent the day with him,” Shapiro said. “We drove around the golf course and then sat down and talked for four or five hours.”

A week later, Wells called to say Applied Underwriters was in.

“For all four years?” I asked,” said Shapiro. “As that was the length of sponsorship we had proposed. But Nate said, ‘We’re hoping for forever, for this is something we really believe in.’”

Sponsors have been believing in the Invitational from the very beginning. Charitable organizations, too, and understandably so.