



Through The Esses - Edd Davin's Return Now Infused With Nitro

06/27/07 - © Andrew S. Hartwell

A few months back we told you about the impending return of veteran sportscar racer Edd Davin to the Grand-Am Rolex Series.

(Story can be found here: www.ashcom.homestead.com/files/PDFFiles/90_tte.pdf)

We decided to follow up on that conversation to learn what progress had been made in securing a car, a co-driver, and – most importantly – a primary sponsor who could make Davin's wishes come true.



Today, after speaking with Davin, and Mr. Lowell Moore, the CEO of the Nitro Beverage Company, it now appears that Grand-Am fans will have a new car and team to root for, possibly by the last few races of this season.

Nitro makes energy drinks and they have set their sites on capturing a share of the market currently dominated by the Red Bull brand.

We began our conversation by asking if a car had yet been secured. Davin told us that the purchasing arrangement had not yet been completed, but he definitely knew what 'store' he was going shopping in.

"We are going to work directly through Max Crawford and David Cooper at Crawford Race Cars to secure what is presently the #20 car, for our team. We haven't taken possession of the car yet but we are getting closer everyday."

Davin told us that he and Moore have discussed this project for some time now and all of the talk has led to an action plan that is sure to benefit both Nitro and Davin Racing.

"Lowell and I came into contact with one another a few years ago. We stayed in touch and I pitched the idea of sponsoring our Grand-Am team to him and Nitro. I told him how motorsports marketing is one of the strongest advertising tools out there with a great return on investment. I told him our presence in Grand-Am would sell Nitro beverage products. Lowell said, 'That's great. We will sponsor you but...you have to prove to us that your efforts will bring us customers.' And that is what we have been doing the last few months.

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“We came to an agreement several months ago that we would go in that direction. In order to satisfy Lowell’s concerns about motorsports, we went out and chased beverage distributors about the Nitro product line. We have been trying to find distributors who can bring Nitro products into the retail market. It’s great to manufacture a product but you have to get it to the customer. We have been looking for the correct blend of distributors to do just that. We have now reached a point where we can tie up a few loose ends and kick this thing off.”

We wondered if it wasn’t Nitro approaching the retailers directly that would give them the market saturation they were seeking. Moore explained just how a combination of measures is used to achieve the goal.

“There are a few ways that you can go about it. As a manufacturer we can go out and solicit the bigger chains, like Safeway, or 7-11 or Circle K, but it is a lot easier to have a distribution company that has the capability of facilitating that, once you have the customer on board.

“Another way is to secure an arrangement with a national distributor, one who already has a relationship with the bigger chains. They can add our products to make an additional SKU available to them. For us, we have taken a number of years to do research and development, and learn this business. We’ve had to go through a maze of different issues to become acclimated to this landscape. With Edd’s help, and a couple of years of being out there and learning this business, we have identified the ways in which to make this work.

“There is the on-premise market which is your nightclub and restaurants. There is the retail market which would be your convenience stores, stop and shop, gas stations and so on. And then there are your major chain stores. Each of them have different distributors that service them.

“Thus far we have been fortunate with this partnership with Edd. We were very interested into getting into the race game. We tested with NASCAR in the Craftsman Truck Series in 2006 at Daytona and California. But without having a proper distribution channel in place we found we were putting more money out than we were getting in return. People couldn’t even buy the products at the track because many of them have relationships with either Coke or Pepsi that precluded us from selling our brand at the track. It was primarily a source of exposure for us and not a source of sales.

“When Edd and I met, we (Nitro) were looking at two different teams. To be honest I wish we had gone with Edd originally as it probably would have saved us a lot of grief. We really like each other as people, first of all. And I really appreciate the way he courted our business and me, during our learning period. We had a really nice time together with him and some of his staff, at Daytona.

“We knew that we needed to have our involvement in racing be a source of sales income, giving us a solid return on investment. To do that we needed his team to facilitate sales and that is exactly what he has done. He has put us in touch with a significant distribution company that covers the nation in the grocery chain arena. And they are looking to expand their coverage into the retail side of it and we will be their flagship energy drink. We have a great start to this relationship.”

We wondered if working within the Grand-Am world might be as challenging as was the case with the NASCAR tracks. Moore told us he anticipates there will be issues to overcome.

"I would have to say yes there will probably be some issues early on; maybe for our first year or two. Many of the tracks are the same. But I am confident that, as our product gains the exposure that I am sure we will, the quality of our product will win out. I am confident in saying that we are probably the best tasting energy drink out there, and our product performs as an energy drink should. We are certainly in the top tier. In years to come I think we can seek to be more aggressive within the Grand-Am world and not have the problem of not being able to sell our product at some of these tracks.

"There have been other energy drinks that have gotten involved with racing. Red Bull is the king of the hill and Monster has just stepped into it, along with some other smaller brands."

If they can't actually sell the product at the track just yet, Moore told us he intends to make sure the combination of at-the-track promotions and a successful distributorship relationship will have people looking on store shelves for – and finding - the Nitro brand.

"We will have hospitality tents, huge display balloons in the shape of our product, models handing out samples, celebrities from the entertainment and sports world, and look to court retailers and distributors and potential future consumers. We also have a few champions from the BMX Spyzers who are part of the X Games that will be dressed in Nitro gear. We expect to have quite a presence during these races. Edd has also been very helpful in educating us in how to maximize our investment in that area of the racing world."

Davin: "We plan to do a major marketing campaign at the same time the beverages are available for sale so the consumer can be aware of the brand and then find it on the shelves when they go into the store."

Well, some skeptics would say this all sounds great but the proof is in the putting (sic) as in putting a car on the track that fans can see at speed. Skeptics made their opinions known after the first interview announcing Davin's plans. It is estimated that there are close to 40 Daytona Prototypes sitting in garages right now, not being raced. That consideration, plus the extremely competitive series this has become, may indeed warrant an expression of skepticism.

The only way to answer a skeptic is with proof. We next asked what timetable had been established to get this effort up to speed.

Moore: "If Edd and I have it our way, we will be on track this year to work out some of the bugs and coordination issues that are part of the game. You have to get out there and test things. We want to get out there this year and prepare for a full season in 2008."

Davin: "My way of doing business is to first be a success in marketing for my sponsors and to also be a success on the race track. I can now tell you that my co-driver will be Elliott Forbes-Robinson. He and I both feel that we are not going racing without a competitive package. We don't want to just circle around the track. We want to challenge the leaders for their position. Nobody is going to treat us like we are just there to fill up space. We are going after the podium and after first place finishes in 2008. To prepare, we need to get on track as soon as we can this year to develop the team and the car. The car has to be just as successful as the Nitro marketing plan. We are pushing to get this going now so that when 2008 comes we are ready to run for the front."

A quick check of the 2007 schedule shows seven Rolex races are yet to be run this season. We tried again to nail down Moore and Davin to a specific race at which they would make their first appearance. Once again, our hammer missed the nail.

Davin: "If we could, we would be at Daytona for the very next race! But we have to be realistic that all the dominoes have to fall into place. We can't just pick up the car from Crawford and go race. We have to do some marketing and testing and then go racing."

So it looks like future Edd Davin - and Nitro Beverage – fans will just have to wait a wee bit longer before being exposed to the real deal. But Moore and Davin both exuded enthusiasm for what is to come so we have to believe it will happen.

Moore: "This is such a new and exciting area for us! And we intend to go after the king of the hill, Red Bull, as aggressively as Edd drives on the track. Just as there is a Coke and Pepsi, and a Starbucks and Coffee Bean at the top of their fields, we want to be the counterpoint to Red Bull. We would be tremendously happy to be #2 to them. And down the road, like with Coke and Pepsi, we wouldn't mind going back and forth into the top spot.

"We are in this for the long haul. We are going after the huge market and Red Bull drinkers are our target. We feel our product is superior and we feel that we have the tools to be just as marketable as Red Bull continues to be."

We think Darren Law and David Donohue, the drivers of the #58 Red Bull sponsored Brumos Racing Porsche-Riley would also be OK with having the Davin-Nitro car finish second to them in every race. Come to think of it, the skeptics would probably enjoy that too.

Link to Davin Racing web site www.davinracing.com

Link to Nitro Beverage web site www.nitrobeverages.com

