

## Through The Esses - ESBG Designs - Making A Graphic Argument For Success

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At last weekends running of the 44th Rolex 24 hours of Daytona, there were many new cars and teams in the field, confirming the Grand American Rolex Sportscar Series continues to enjoy a period of rapid growth. The blossoming bouquet of colors and graphic schemes appearing on the cars included some fanciful and intriguing designs. For example there was the burgundy, white, and charcoal #6 Graydon Elliott / Mears Motor Coach Fusion Racing Lexus-Riley. The new livery made a smart and professional presentation. Then there



was the nearly fluorescent orange and black #60 Flight Options Michael Shank Racing Lexus-Riley, wearing a design that invited the eyes to look closer. Of course we were also glad to see the return of a now-familiar livery, that of the red and black #4 Boss Snowplow Howard-Boss Motorsports Pontiac-Crawford. Throw in the shard-like metallic blue and silver Racers Group Pontiac GTO's and you had to admit someone found a way to make these cars look good.

Personal tastes aside; we wondered how the teams came to be campaigning cars so vibrantly decorated. We knew of at least one company that specializes in designing graphics for race cars, ESBG Design, and we wondered if they had been involved in any of the 70+ schemes that made an appearance at this year's Rolex 24.

We spoke with Jeff Borkowski who, along with his brother David, runs the company. We learned quite a bit about the business of making race cars look like 200 mile per hour billboards. The process is really quite intriguing and we learned it is a whole lot more than just spraying on paint and slapping on some decals. We also learned that the Borkowski's approach is all about getting the people who run sportscar teams to think about the opportunities a professional presentation provides, and have them be aware of the importance of thinking like businessmen who work within a sport.

"We had a good number of cars at this years Rolex 24, although not quite as many as last year when our designs accounted for more than 1/3 of the field, due in no small part to Mr. Buckler having - what was it? - seven entries last year! As you're well aware, motorsports programs come and go but we always look forward to what's coming next. And sometimes we miss liveries which have already come and gone - Rx.com, New Century Mortgage, Mears Motor Coach, Hypersport, and the original red, white, and black Boss Snowplow are a few that come to mind.

"The growth within the Rolex series continues to amaze us both with new teams and new cars for existing teams. We are working on several cars that will be introduced later on in the season, including a few you saw at the Daytona test days but that did not run the 24 hours as well as a few that ran the race, but that may change over the course of the season."

We happen to think the whole business of making a race car look good to fans and sponsors alike is something of a black art. It is quite an accomplishment to create a theme, or look, or livery design that conveys a positive and attractive message. It is an even greater one to take that computer generated illustration and then transfer the design to the undulating fenders of a race car without losing any of the original appeal inherent in the design. We asked how the Borkowski brothers ever came to be in the business of creating such dynamic designs and how they are able to take them from conception to reality.

"The business was born out of a passion for Motorsports. We grew up at the race track. That is, myself, my younger brother David, and our older brother Mike. Mike's been racing since he was six or seven; I was two years old at the time and Dave was one. Back then Mike was racing quarter midgets in Connecticut. It's funny but, for whatever reason, Dave and I never got behind the wheel ourselves; we were active in other sports. In hindsight, as much as I would have loved to race, we learned from watching Mike make his way up the ranks how brutal the business of racing can be. It's one thing to race karts or quarter midgets but it becomes less about talent and more about politics and money as you move up - which makes it very tough to make a career as a driver. In this sense, at least at this stage in my life, I'm happy to participate in the sport NOT as a driver but on the business side."

Mike Borkowski ran this year's Rolex 24 in the #6 Graydon Elliott / Mears Motor Coach Fusion Racing Lexus-Riley with Paul Tracy, Paul Mears and Kenny Wilden. Despite leading early, they fell out around midnight with mechanical troubles.

While older brother Mike went off to be a professional racing driver, his younger siblings found their own niche in the world of sportscar racing - and in business.

"We got involved at an early age helping Mike create sponsorship proposals. That was our first taste from a design perspective into the business side of Motorsports. After David graduated from Cornell, he went to work for Motorsports Authentics, formerly Action Performance (the diecast model manufacturers), in Arizona. He was a lead designer there working on livery programs for all the top NASCAR, IRL, and Champ Car teams. After a few years with Action, he decided he would have more growth opportunities if he started out on his own.

"I had and still have my own completely separate fine art business, but in an effort to support Dave, I offered to help him get started by generating a few freelance clients. This was in December of 2003.

"It was the last two weeks of December, during the holidays when it's tough to track anyone down for work related inquiries. But Grand American was birthing in front of us, and we were privy to what was going on because of Mike's involvement from the very beginning. Leveraging our good luck in terms of timing and some good marketing strategy, we decided to go after teams, sponsors, and marketing agencies that were making the Rolex push. With the quality and depth of David's portfolio, it wasn't difficult to create a quick-and-dirty, but compelling, web-based portfolio for prospects to view. At around 7 PM two weeks before Christmas and the New Year we emailed 50 prospect teams with a few sentences about who we were and a link to a simple online portfolio and within ten minutes we started getting calls!"

Borkowski was amazed at the response.

"It was unlike anything I had ever experienced in sales, having worked in business development for web design and other technology companies. We expected a few people might eventually look at it but it got passed around at a wildfire pace. The phone rang off the hook and folks wanted to know where they could 'get some of this stuff'. We hadn't even worked up any pricing!

"In short order, we created the 'Italian restaurant' menu equivalent of services and, frankly, grossly undercharged for what we were doing - not on purpose, we were simply breaking new ground for the sportscar market and weren't 100% sure what the market would bear relative to the higher tier

professional series (NASCAR etc.). The business took off. What was supposed to be a couple days work helping to get things started for my brother quickly turned out to be a second full time job!"

They split the primary business responsibilities of creation and delivery right down the middle.

"David takes care of all design work and I take care of the operational side of the business."

That operational side includes putting the elements together to make a three-dimensional race car look the way David designed it to look. Jeff Borkowski gave us an overview of the technical and logistical process that takes place.

"First we create a concept rendering - we call it a 'visualization' - that makes it easy for the average non-designer to wrap their brain around our vision of what the car might look like. A lot of teams and marketing agencies will purchase these visualizations when they have a hot prospect. They bring the program to life and allow for prospect sponsors to get a precise view of how their brand will be represented on the car, transporter, firesuits and other team assets. Those flat outline drawings you see where the cars are shown from the side, top, front and rear views - we call them 'elevations' - are more functional from a production standpoint but they tend to look a little anemic. Racecars are sexy three dimensional objects and that tends to get lost in those flat architectural types of renderings.

"If and when the design concept goes to production, we convert the 'visualization' renderings into a final decal sheet or cut file that can be transferred to a vinyl company. We are not in the business of creating the vinyl or painting the cars. It's simply not practical in that we serve clients all around the world. Instead, we work with teams and numerous networked best-of-breed vendor relationships to facilitate accurate implementation of all the program assets - from the car, to the transporter, to all team firesuits and apparel, to websites, herocards and other promotional printed or internet-based materials. We deliver the source files to these vendors, and with our guidance, they go about final implementation.

"At the higher levels, like NASCAR and IRL, many teams take care of implementation in-house. And in NASCAR, many teams have switched over to a 100% vinyl wrap approach. One reason they do this is because it's easier to swap in one-off race liveries, sometimes referred to as 'specials', in order to promote a particular event or sub-brand. 'Special' liveries also mean new diecast for collectors, the sale of which benefits teams and drivers.

"It is different for sportscar racing. Each team's decision whether or not to use paint or vinyl tends to depend on available internal resources. A team like Ganassi's has tremendous resources in terms of having a comprehensive in-house paint department. Smaller teams don't have this luxury and may not be able to support anything more than painting the car a single color and applying all graphics in vinyl. This approach is more limiting in terms of design, but can be simpler from an implementation perspective."

David Borkowski's talents with graphic design have been utilized over and over again in an ongoing attempt to grow their company.

"Since December of 2003, we have produced more than 400 unique Daytona Prototype concepts for various marketing agencies, teams, drivers, and sponsors. For confidentiality reasons, we're unable to include much of this work in our public portfolio. One of the interesting things about our job is that almost everything crosses our desk. And we have often created multiple renderings of a single brand for different teams and/or marketing agencies that are all pitching the same company - unbeknownst to each other. We have created as many as seven different concept renderings for a single company. Of course, the first one you create is usually the one you like the best, and by the time you get to scheme number seven it gets pretty tricky. It can be a real challenge."

One other challenge before the brothers was how to best structure their pricing and service levels. This is where Jeff Borkowski's business acumen came into play, putting them in a position to not only grow their business but to enhance the potential profitability of their customer's racing operations as well.

"We offer special sponsor pitch/presentation pricing to support customers who are going out to pitch to potential sponsors. In exchange for limited usage rights, we discount the upfront concept design cost. If and when the deal is closed and/or the design goes to production, we're paid the balance. If not, we're owed nothing and we both move on to the next. It's our way of sharing the risk and is a necessity based on the nature of the industry. It does however mean that we're getting more and more selective about who we work with because there is an opportunity cost with every one of these jobs. The market demand is also immense.

"All projects are fix-priced on an individual basis depending on scope. Our fee structure also varies by series, the relative value for a sponsor and team being very different at the SCCA Club Racing level versus the NASCAR Nextel Cup level. It's yet another way we're working to make the same range and quality of services available at all levels of racing. While we take a short term hit on the lower formulae work, we believe the long-term effect of raising everyone's game will benefit us as well as the industry as a whole."

The brothers made a decision early on to convince sportscar teams of what teams in the biggest racing series have long understood to be a cardinal tenet for success.

"In NASCAR, IRL and Champ Car, there is a high level of importance placed on taking care of your sponsors. It only makes sense, yet we were a bit surprised at the relative marketing savvy (or lack thereof) of sportscar teams. Something like the overall presentation of a motorsports program was an afterthought. I think the total cost to design an impactful, completely integrated livery program would surprise most. Relative to the overall program costs, it's inexpensive and is unquestionably the least expensive way to maximize exposure for your sponsors and differentiate your team. Not to make the investment as a business is crazy; the hobbyist approach simply doesn't have longevity. That said, there's no question there is more work in doing it right. However, we've seen more deals fall apart or switch hands over the 'small stuff' than you'd ever believe. There is also what we call the 'feel good factor' - look good/feel good - which has proven a greater impact on team morale, desire, and performance than even we expected...not to mention growth in fan support."

The Borkowski's message is starting to find an ever more receptive audience. But Jeff Borkowski thinks they are a long way from saturating the market.

"The good news is we've seen a sea change in at least the desire to improve overall team and sponsor presentation. And those that are leading the way are also reaping the greatest rewards. This said, despite having produced 400+ unique Daytona Prototype livery concepts, we feel we've only scratched the surface and believe there is a long way to go in order to maximize the full potential of every car and program in the field. That's our mission."

In today's difficult economic climate, we can't imagine many teams would want to be left behind in the race to win sponsor dollars. Jeff and David Borkowski see a tremendous opportunity to help those teams get into the race by utilizing the services of ESBG Design. And as they say in their marketing collateral, "After all, we are all car guys and gals. And there's nothing like fresh paint and decals to get our juices flowing. Besides, who doesn't want to look good in victory lane?"

To view a veritable candy store of race cars, visit ESBG Design