

RFP# GMU-1692-21

Negotiation Letter Responses



Submitted By:

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Project Overview

In response to George Mason's letter of negotiation for RFP# 1692-21, Spark451 is pleased to provide the following answers to the questions provided.

Questions:

1. **Mason is an educational institution and entity of the Commonwealth of Virginia. As such, we are obligated to ensure that all pricing and contractual elements meet our institution's needs. Can you provide a reduced hourly rate for services?**

Spark451 would be proud to partner with Mason and takes that partnership seriously. We understand that we become an ambassador to your brand and budget. As a higher education-focused agency, our normal protocol for proposals is that we use a "best-foot-forward" pricing structure. In that sense, there is not tremendous room for reduced hourly rates. However, we are pleased to offer Mason a blanket **reduced rate of \$173**. That is a 4% discount off the already competitive rate we proposed.

2. **Do you have any minimum hourly requirements for jobs? For example, a 4-hour minimum per project.**

While **we do not have a hard minimum requirement**, it is reasonable to say that fewer than 5% of our projects require under 3 hours of work. This is just for expectations, again there is **no hard minimum**.

3. **Can you provide any additional discounts based on total university spend?**

The creative hourly fee is set and we have provided an additional discount in Question 1. Furthermore, Spark451 does have a volume discount on digital media production, admin and analytics fees and is willing to transparently share that volume discount structure with Mason upon contract. (See Digital Media Fee Structure below)

Digital Media Fee Structure

Spark451 works on a sliding scale of fees based on total media spend, with decreasing percentages of strategy, management and reporting fees as budgets increase.

Billing Equation

Cost = Net + Management Fee + Creative / Setup / Infrastructure Fee

Fee Structure Calculations

Budget Allocation	Media Strategy, Set up & Management Fees	Reporting/Analytics Fees	Creative Fees
< \$50,000	20%	8%	10%
\$50,000 - \$99,999	18%	8%	9%
\$100,000 - \$199,999	16%	8%	8%
\$200,000 - \$299,999	14%	8%	7%
\$300,000 - \$399,999	13%	7%	5%
\$400,000 +	13%	7%	5%



4. If contracted for advertising and media buying, do you agree to the following?
- a. Mason will agree on a scope of work prior to any campaign that includes a description of services to be provided and outlines any fees.
Agreed.
 - b. Total projected spend is a maximum amount for advertising, fees, and services within the agreed scope of work. All spending and allocation of spending is at the direction of Mason.
Agreed.
 - c. Advertising/media buying will be done by Spark451. Spark451 will invoice Mason for pre-approved, verified in-market advertising, plus fees and services within the agreed scope of work.
Agreed.
 - d. Invoices must separate advertising/media buy spend from any additional fees.
Agreed.
 - e. Provide monthly YTD budget review and reporting analytics meetings to assess campaign performance and identify optimizations.
Agreed.
5. If awarded a contract, do you acknowledge, agree and understand George Mason University cannot guarantee a minimum amount of business?
Agreed.
6. Do you agree to sign Mason's Standard Contract (RFP Attachment B – Sample Contract) if awarded a contract?

Yes, Spark451 is willing to sign Mason's Standard Contract. However, upon review we noted a required umbrella insurance of \$5 million. Normally our university partners require \$2 million which is what we currently carry.