# EXHIBIT 2

## UNITED STATES DISTRICT COURT NORTHERN DISTRICT OF CALIFORNIA

IN RE NCAA STUDENT-ATHLETE NAME AND LIKENESS LICENSING LITIGATION

Case No. C 09-01967 CW

## **DECLARATION OF EDWIN S. DESSER**

January 13, 2014

[	Sports Telecasts are Proprietary Entertainment Programs	1
II	Balancing Sports Broadcasting Rights and News Access	12
III	Sports Telecasts are Fundamentally Commercial, not Educational	14
IV	2014 Allstate Sugar Bowl Examples of Telecast Commercialization	20
V	Commercialization of College Football Bowl Games, the BCS, and the New Playoffs	23
VI	Commercialism of March Madness	28
VII	Commercial Arrangements in College Sports	30
VIII	Exhibits	43

- I am the President of Desser Sports Media, Inc., a sports media
  consulting firm. I recently provided an expert rebuttal report on
  behalf of the Antitrust Plaintiffs dated November 5, 2013 in this case.
  My qualifications are set forth therein. I am being compensated for
  this assignment at my usual daily rate of \$10,000, which does not
  depend on the outcome of this litigation.
- 2. In preparing this declaration, I have relied upon my nearly four decades of experience serving in senior management in the sports industry and in the sports media business. I have reviewed reports, declarations and testimony by the NCAA's experts, legal documents filed in this case, including the Third Consolidated Amended Class Action Complaint, documents produced in discovery in this case, including certain contracts, and certain publicly available materials. A complete list of the sources of information and materials from the case which I relied upon or considered is attached as Exhibit 1.

## <u>I. Sports Telecasts are Proprietary Entertainment Programs</u>

3. I understand, and based on my long experience in media rights development and management, that the property interests of media rights holders are sometimes claimed to be limited by First Amendment concerns. Often this debate comes in the context of the newsworthiness of media events such as a sporting contest. In this context, there are qualitative differences between live NCAA Basketball and Football game telecasts and television "news" programs, which collectively demonstrate that the former are not news programs. These include the planned schedule, staged presentation, known location, length, exclusivity, admission charged, and rights fee payments to the organizers. No one factor is dispositive—rather it is the combination of these factors in their totality which render sports events non-news. While there are, of course, some newsworthy aspects to the games (and there some other similar special entertainment events which share some of these same characteristics), the differences between sports and news are important, and those parts of sports events that are newsworthy can be reported upon consistent with industry practice, without impairing the commercial value of the telecast in any substantial way.

4. Unlike most bona fide news stories, the timing of which are typically not predictable, game telecasts are routinely scheduled well in advance (in some cases by several years). The day and the start time are chosen by the organizer in order to facilitate network programming schedules, the generation of large viewing audiences, avoiding competition from other games, arena and teams availability, and to encourage live game attendance. There are, of course, some

other partially newsworthy entertainment events which share this trait, such as awards shows, and there are many planned releases of information (e.g., a jobs report). Other than those, and matters like a presidential address or political convention, the vast majority of true news stories are generally the result of spontaneous events and not created by the telecaster (e.g., natural disasters, emergencies, important political, business and social information of interest and service to the public at large) and are not preplanned between a telecaster and an event organizer/licensor.

5. An NCAA football or basketball game, including NCAA Championship basketball games and BCS football bowl games, are meticulously and professionally staged at known locations (a stadium or an arena) as opposed to taking place at random, non-staged locations around the world. Division 1 NCAA games all take place in expensively constructed athletic facilities, which feature large spectator seating accommodations, professional lighting and sound, extensive dining facilities, ample parking, video replay boards and a curated stage—the court or field of play. While some of these elements may also be present at some planned news events (e.g., a press conference), the two are clearly distinguishable in both the nature of the planning and the expectation of direct monetary benefit.

- 6. Even the duration of a live NCAA basketball or football game is fairly predictable and consistent. For example, a basketball game (without overtime) is typically contained in a 2 hour programming block. An NCAA football game telecast is typically scheduled to last about 3 ½ hours. Within these elongated telecasts (much longer than most newscasts, other than those on all-news networks) there do occur some brief newsworthy elements. For example, the final score of a game, its impact on team standings and playoff position, a record breaking play or an unusual individual performance (or even a blooper or an injury) from within a 2-3 ½ hour telecast window may indeed be newsworthy, but the proportion of these elements relative to others is de minimis. An average incomplete pass, delay of game penalty or a 2-yard rushing play in football, nor a free throw, a pass, or average rebound in basketball is particularly newsworthy. The vast majority of a sports telecast of an NCAA game, while exciting entertainment in context, is unremarkable and is not "news."
- 7. NCAA football or basketball games are programmed in one or more dedicated and titled TV program series (e.g., College Football on ESPN or the NCAA National Basketball Championship on CBS). In contrast, a general recap of a broad selection of the events of the day is contained in a generic, network-themed telecast (e.g., The CBS Evening News or ABC's World News Tonight). While general news

may occasionally be titled as well (e.g., The State of the Union Address, or Election Night coverage), these are usually special news events rather than an event-themed weekly scheduled series. Again, the sponsors of these events are not staging them for direct monetary benefit.

- 8. While a particular news reporter might have an exclusive segment on a subject (e.g., Brian Williams' exclusive interview with President Obama), the actual subject matter for most news programming is not proprietary, and generally the subjects do not grant an exclusive license (if they grant any license at all). The selection of news stories on competitive newscasts, on different networks on the same day, is often remarkably similar. In contrast, live sports telecasts are mostly licensed on an exclusive basis to a single network. In some cases, there are separate telecasts for the markets of the teams participating in a game (e.g., MSG Network and Comcast SportsNet Bay Area may each telecast a Knicks vs. Warriors game into their respective TV markets); however, each is usually exclusive within its particular coverage territory.
- 9. Another significant difference between a major sports event and most typical news stories is that admission is charged for access to a sports event while most true news event locations are either open to the

public (e.g., a courtroom or an airport) or authorized persons are admitted free (e.g., a political convention), major sports events invariably require spectator members of the public to pay for admission.

- 10. Major sports events feature substantial TV rights fees from the broadcaster to the organizer. For example, the current NCAA Basketball Championship Agreement with CBS and Turner totals nearly \$11 Billion over 14 years<sup>1</sup>. In distinct contrast, no rights fees or other payments (beyond broadcaster production costs like talent and technical facilities) are paid by a broadcaster with respect to the right to telecast news, except, perhaps for TMZ-style paid "scoops."
- 11. Even the networks presenting sports telecasts provide further evidence of the difference between sports and news. Each of the Big 3 networks operates a major news division. ABC, NBC, and CBS all also carry live sports programming. However, none of the network news divisions is materially involved in the licensing, production, or distribution of the networks' sports programming. That is handled by the NBC Sports division, the CBS Sports division, and in the case of ABC, by ESPN. Fox Sports is also a separate operation from Fox News. Surely if these networks thought of live sports telecasts as news, they

 $<sup>^{1}</sup>$  Multi-Media Agreement between Turner Broadcasting System, Inc., CBS Broadcasting Inc., and The National Collegiate Athletic Association dated as of April 22, 2010

would not go to the trouble and expense of having a separate division devoted to handling them.

- 12. In reality, sports telecasts are extremely valuable entertainment events, not news broadcasts. They are the result of years of cultivation, investment in production and promotion, knowledge and skill displayed by the participants, and viewing audience traditions. They have become of great interest to fans, and therefore to broadcasters as well. A football or basketball season is much more like a TV reality entertainment series than a newscast (the NCAA Basketball Championship tournament essentially operates to "vote" each team losing a game "off the island."). Even with some newsworthy qualities, both are nevertheless the proprietary, nonnews, property of the organizers and/or producers. While college basketball and football have a characteristic that some may distinguish from a TV serial show, such as American Idol, that its appeal is based on the unpredictability and non-scripted nature of the contest, these shows attempt to mimic these features by having live spectator audience and celebrity judges thereby assuring the television audience that outcomes are not being "fixed."
- 13. On the other hand, real news tends to take the form of a report on things that have happened that day (or the day before in the case of a

newspaper), a digest of the day's events, together with journalistic analysis of what is important about them, to put them into context and help the viewer/reader understand. The dictionary<sup>2</sup> defines news as "1. a report of a recent event; intelligence; information: His family has had no news of his whereabouts for months. 2. the presentation of a report on recent or <u>new</u> events in a <u>newspaper</u> or other periodical or on radio or television. 3. such reports taken collectively; information reported: There's good news tonight. 4. a person, thing, or event considered as a choice subject for journalistic treatment; newsworthy material." Sometimes news is also about what is about to happen. But, it is not the event itself (except in the very limited cases of something like a presidential news conference or State of the Union address), rather, it is coverage of and about a number of generally important events, processed for easy consumption. For example, a report on what happened that day in the stock market (and why) is often news, but a detailed listing of each and every stock trade that contributes to what happened in the stock market that day (or the exchange-owned stock-market ticker) constitutes proprietary data.

14. As further evidence of the non-news nature of the NCAA

Championship telecasts, the NCAA has a series of policies and

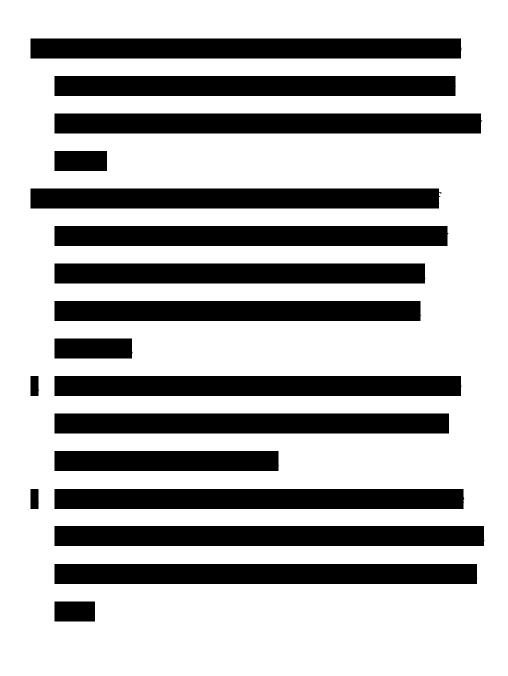
<sup>&</sup>lt;sup>2</sup> Dictionary.com

procedures<sup>3</sup> in place for the real news media during those events which differ substantially from the treatment that is typically provided by newsworthy subjects in the context of actual news reporting, for example by:



<sup>&</sup>lt;sup>3</sup> 2010—11 NCAA Broadcast Manual, Championship Guidelines

<sup>&</sup>lt;sup>4</sup> Untitled document produced by the NCAA bates stamp NCAAPROD00217961



15. Further, the NCAA places restrictions on its own telecast licensees<sup>5</sup> inconsistent with typical news media treatment:



<sup>&</sup>lt;sup>5</sup> Multi-Media Agreement between Turner Broadcasting System, Inc., CBS Broadcasting Inc., and The National Collegiate Athletic Association dated as of April 22, 2010



II. Balancing Sports Broadcasting Rights and News Access

16. This proprietary nature of sports broadcasts is also enshrined in a series of legal cases dating back to the early days of sports

broadcasting, and the Copyright Act of 1976. The "Fair Use" concept operates as a limited safe harbor exception to copyright control for legitimate news purposes, and sports organizations have designed policies to balance these matters.

- 17. From the early days of radio broadcasting in the 1930's, the team as organizer has had a property right in the "pictures, descriptions, and accounts" of its games, and the right to control the use thereof for a reasonable time following the conclusion. Thus broadcast rights of the game are owned by the team/organizer on the one hand, while the reporting about such game events as news can take place afterwards as part of a news program (and to a limited extent during the game as well). Leagues, teams, and the NCAA commonly issue press credentials which provide media members with event access, but limit the extent of their reporting so as to maintain the distinction.
- 18. Hence, league and NCAA policies have developed which are designed to practically define "Fair Use." These policies generally preclude non-licensee TV networks and stations from telecasting a game or highlights from a game while it is in progress and they also limit the amount of footage which may be shown, the types of shows it may be

<sup>&</sup>lt;sup>6</sup> Sports Broadcasting and the Law, by Robert Alan Garett and Philip R. Hochberg, Indiana Law Journal volume 59 Issue 2, April 1, 1984

<sup>&</sup>lt;sup>7</sup> Los Angeles Lakers/NBA Media credential from January 5, 2014, Exhibit 4 hereof

shown within<sup>8</sup>, etc.. Thus under "Fair Use," notwithstanding a copyright holders' exclusive control over its work, a news organizations may excerpt a small portion of it in reporting, without violating the rights of the copyright owner. Here, the idea is to balance property interests of the owner with the public's right to information. For example, a theatrical play is clearly a work of copyright, but a newscast may use a small portion of the production in connection with its reporting about the collapse of the theatre where it was being performed, or in a review directed to theatre goers.

- 19. It is therefore the regular practice of all major sports leagues and organizations (Olympics, NFL, MLB, NBA, NHL etc.), and their licensed rights holders, to routinely notify all media in writing of their respective "Fair Use" news access policies. They protect and enforce their intellectual property rights and interests via such highlights licenses. Media outlets are then obliged to operate their businesses in a way that conforms to said policies, or risk legal action and/or the realistic possibility of credential or access revocation.
- 20. I participated in the NBA adopting and amending its definition of "Fair Use" in creating its highlight licensing policy. That policy permits broadcasters to show highlights totaling up to 2 minutes of a

<sup>8 2010—11</sup> NCAA Broadcast Manual, Championship Guidelines, Section 4

particular game in a regularly-scheduled newscast within 72 hours of the completion of the game, provided, however, that no more than a total of 5 minutes of footage from all games within the previous 72 hour window be shown in a continuous hour of linear news or sports news coverage<sup>9</sup>. This is designed to draw a line between news coverage and, for example live game programming, or a pregame or postgame show which is part of that coverage.

### III. Sports Telecasts are Fundamentally Commercial, not Educational

- 21. Just because the NCAA is an association of the nation's colleges does not mean that its game telecasts are automatically educational communications. To the contrary, just like professional basketball and football games, NCAA game telecasts and broadcast exposures are actually highly and extensively commercial in nature. There are many objective factors which collectively lead to this characterization, including the following:
  - Together these telecasts generate billions of dollars of evergrowing media revenues each year for the NCAA, the various Conferences, and the individual schools (see college media rights agreements discussion beginning at paragraph 44 below)

<sup>&</sup>lt;sup>9</sup> NBA Highlight License, Exhibit 3

- b. By exposing the games and generating additional interest in the sport, they help to sell millions of dollars of tickets to upcoming games, which then also leads to subsequent parking, concession and in-venue merchandise sales revenues, and the purchase of additional tickets to subsequent events
- c. They provide television coverage of in-arena/in stadium courtside/on-field advertising signage sold by the school or its marketing representative  $^{10}$
- d. They promote in-store and on-line team merchandise sales of more than \$3 billion at retail annually, and provide incremental exposure value to the schools' athletic apparel licensees<sup>11</sup>
- e. The games are played in stadia and arenas named for (and paid for by) major corporations, generating additional advertising value from telecasts and press coverage of the games<sup>12</sup>
- f. Create sponsorship activation platforms, further enabling sponsors to link with the good will associated with college teams and players<sup>13</sup>
- g. Generate web traffic for ncaa.org, and the school and conference sites, as well as network sites like espn.com, which

eifeld, Licensemag.com, November, 2006 ming Rights by Avinnash Kunnath, February 22, 2013 SBNation.com

12

- in turn provide for ad opportunities and future sales of tickets, merchandise, and the capturing of e-mail addresses for future solicitations, etc.
- h. Are produced at high professional levels/standards<sup>14</sup>, much like TV commercials, designed to showcase products in the best possible light
- i. Advertise multiple other company's products within the more than 24 commercial messages per hour of game coverage some 84 commercials in an average football game, and more in BCS games<sup>15</sup>
- j. Integrate advertising messages into the programming, including through product placement, on-field and court signage, sponsored program segments, vignettes, logo bugs and burn-ins, virtual advertising insertion, and a host of other techniques designed to make messages unavoidable and blur the line between content and advertising
- k. Perpetuate a virtuous circle of future economic benefit for the schools by promoting viewership for upcoming game telecasts, growing the audience for those contests, and providing a higher rated platform for the promotion of the next game, amplifying the whole cycle. In essence, the basketball or

<sup>&</sup>lt;sup>14</sup> NCAA Broadcast Manual, Championships Guidelines

<sup>15</sup> Exhibit 2 hereof

- football season is like a reality series where interest grows to the exciting climax (the Championship)
- Promote the networks themselves on which the games are carried, and other networks under common control or ownership (e.g., Turner uses its NCAA Agreement to promote its less-established TruTV channel)
- m. Promote viewership of other network programming through recorded promotional announcements, live announcer-read drop-ins, pop-ups, and other on-air devices
- n. Provide large lead-in audiences for the programming scheduled by the network to follow each game telecast, increasing ratings for such programs, and related ad sales
- o. Enable the exclusive licensees, cable networks and broadcast stations, to increase their leverage in order to negotiate more favorable and lucrative distribution agreements with cable and satellite providers (which ultimately permit the networks to pay even more the next time around)
- p. Provide those cable and satellite operators with vital live programming to combat over-the-top and streaming internet alternatives to the purchase of expensive video programming (i.e., cable) service
- q. Generate local tourism and encourage school visitation
- r. Enhance the reputation and visibility of the city, state or region

- s. Help to create new stars/player brands
- Promote the league/organization (e.g., NBA, NFL, NCAA) or Conference (Big 10, SEC, ACC) brands and its related events (e.g., All Star Game, Pac 12 Championship, and other NCAA Championships)
- 22. Clearly, all sports telecasts of football and basketball by the major professional and leagues and college conferences are highly commercialized today. But ironically, NCAA basketball and football game telecasts are actually even MORE commercial than the highly commercial, professional NBA and NFL telecasts. This is because, in addition to the above elements, they also:
  - a. Promote the colleges themselves, encouraging enrollment applications and student attendance by highlighting the fun and excitement of university life, increasing user demand to permit the schools to charge higher tuition and/or be more selective in admissions
  - b. Regular season football telecast game performances lead to appearances in sponsor-named bowl games, and booster travel to the Bowl cities
  - c. Game telecasts help motivate alumni to participate in school life, commit their companies to sponsor the school and its teams, and encourage donations, endowments, and other

support to the schools, like the purchase of tax-favored luxury boxes at sports venues. According to the Knight Commission report<sup>16</sup>, the largest source of athletic department external income (30%) comes from alumni and other cash contributions

- d. Assist in recruitment of faculty, coaches, and future Student Athletes by highlighting the respective athletic programs, boosting awareness and school stature
- e. Essentially are "infomercials" under the guise of entertainment, given the massive promotional machines they represent. No wonder so many conferences have already, or are planning, their own dedicated TV networks (see paragraphs 45-48 below).

## IV. 2014 Allstate Sugar Bowl Examples of Telecast Commercialization

23. NCAA telecasts contain large amounts of commercial materials, well beyond just the heavy load of actual ads inserted during time-out breaks. Advertising signage is attached to the scoreboard and façade of the arena or stadium, it is physically painted on the field and court, and it is digitally embedded into the telecasts. Some of these company logos are just on the TV screen. Others are "virtual," inserted into the telecast, but made to look like they are part of the stadium or in the

Highly Confidential—Counsel Only Subject to Protective Order

<sup>&</sup>lt;sup>16</sup> College Sports 101, A Primer on Money, Athletics, and Higher Education in the 21st Century by the Knight Commission on Interscholastic Athletics, October 2009

field of play. And the game announcers often read promotional messages and "billboards" that acknowledge and thanks corporate sponsors. This practice is so pervasive, the advertising in sports telecasts is almost impossible to avoid.

24. For example, in the 2014 Sugar Bowl (January 2 on ESPN), the Allstate Insurance Company was the "Title Sponsor" of the event. In addition to inclusion in the extensive pre-promotion, it received constant name exposure on the superimposed graphic scoreboard throughout the game action of the telecast. It also had several large company logos on the actual field of play (something even the NFL doesn't permit). Each Student Athlete in uniform had an event logo on his uniform (including the Allstate brand), Allstate also received end zone signage, goalposts, and the event logo on the safety net behind the goalposts. It also received logos on the first down markers, and the company president was featured during the trophy presentation ceremony following the game. There was also a several minute in duration Allstate-branded feature at halftime integrating the sponsor with mentions of the names, likenesses, video footage, and background of about 20 Student Athletes and their respective charity works "honored" by Allstate...a clear example of commercializing the names and images of SAs.

- 25. The Allstate Sugar Bowl telecast also featured ample "product placement" on the field, designed to enhance the association between brands and the event. This advertising is an embedded part of the telecast itself, fully integrated with the content, and essentially DVR-proof. For example, large AT&T's logos were on the coaches' headsets and Gatorade cups, coolers, and towels were placed in camera range on both team sidelines, where Student Athletes were seen using them during the game—essentially a product endorsement by the SAs.
- 26. In addition to the Allstate logo on each Student Athlete's team uniform, there were the logos for the uniform manufacturer (Nike), the helmet manufacturer (Riddell), the NCAA, the Conferences (SEC and Big 10 respectively), and the Bowl Championship Series logo (with sponsor). Since these areas were those most often included in television close-ups shots, the SA's had the appearance of being like walking billboards during the game. (see paragraph 55 below)
- 27. Other advertising messages integrated within the fabric of the Allstate Sugar Bowl game telecast included multiple messages for Goodyear relating to the use of its blimp for aerial shots of the stadium and field of play, upcoming segment promos, studio desk signage, and onscreen graphics for halftime sponsor Buick, promotions for the upcoming "Discover Card" Orange Bowl, including event logos, on

screen signage, and a lengthy promotion for the game from the stadium in Miami by the announcers on the field, on an event-logoed set. Other major sponsors received mentions, enhancements, and features integrating game information and SAs within the body of the TV production, further blurring the lines between advertising and content.

- 28. Integrated among the commercial announcements for a wide variety of typical sports advertisers were promotional announcements for the University of Alabama, University of Oklahoma, the SEC, the Big 10, the NCAA, and launch announcements for the upcoming ESPN SEC TV Network.
- 29. On the subject of ESPN, there was no shortage of network branding and promotion integrated within the fabric of the game telecast. From the ever-present lower third scoreboard graphic, to the lower right logo "burn-in" or "bug," to the microphone flags used by broadcast talent when on camera or doing interviews, there was no mistaking that the game was being carried on ESPN, perhaps the biggest single US sports brand of all. In addition, promotion for SportsCenter, the "ESPN Megacast" of the BCS Championship game, and the aforementioned ESPN SEC Network were all highly visible.

## V. Commercialization of College Football Bowl Games, the BCS, and the New Playoffs

30. The Allstate Sugar Bowl is by no means unique when it comes to event naming rights, and the inclusion of sponsor messages within the body of NCAA Football game telecasts. Nearly every official bowl game logo has a sponsor's name integrated. From Valero's naming of the Alamo Bowl to Meineke naming of the Car Care Texas Bowl, title sponsors are widely associated with College Football's end of season games. The BCS series even has its own logo and corporate sponsor—Vizio in effect sponsoring the other sponsors' sponsorships of the other BCS games.

## Case4:09-cv-01967-CW Document956-3 Filed01/13/14 Page26 of 66 REDACTED VERSION OF DOCUMENT SOUGHT TO BE SEALED



31. According to IEG Research<sup>17</sup>, for the 2012-13 College Football Bowl games, some \$99 million was committed in connection with the naming rights and attendant sponsorship media purchases for the 35 games—an average of nearly \$3 million per game. From the \$350,000 paid for the naming rights for each of the Gildan New Mexico and Famous Idaho Potato Bowls, to the \$17.5 million committed for each of the Allstate Sugar and Tostitos Fiesta Bowls, substantial financial commitments for the naming rights and media packages continue. These likely topped the \$100 million level this just-completed year. Here is a list of the 2012-13 College Football Bowls and their respective sponsors published by IEG:

2012-13 College Football Bowl Game Sponsorship

Game Date	Bowl	Location	Title/Presenting Fee
12/15	Gildan New Mexico Bowl	Albuquerque, N.M.	\$350,000
12/15	Famous Idaho Potato Bowl	Boise, Idaho	\$350,000
12/20	San Diego County Credit Union Poinsettia Bowl	San Diego	\$400,000
12/21	Beef 'O'Brady's Bowl St. Petersburg	St. Petersburg, Fla.	\$375,000
12/22	R+L Carriers New Orleans Bowl	New Orleans	\$400,000
12/22	MAACO Bowl Las Vegas	Las Vegas	\$500,000
12/24	Sheraton Hawaii Bowl	Honolulu, Hawaii	\$450,000
12/26	Little Caesars Pizza Bowl	Detroit	\$500,000
12/27	Military Bowl presented by Northrop Grumman	Washington, D.C.	\$350,000
12/27	Belk Bowl	Charlotte, N.C.	\$400,000

 $<sup>^{\</sup>rm 17}$  Focus on College Football Bowl Games: IEG Research and Insights into Bowl Game Sponsorships—Sponsorship.com

## Case4:09-cv-01967-CW Document956-3 Filed01/13/14 Page28 of 66 REDACTED VERSION OF DOCUMENT SOUGHT TO BE SEALED

12/27	Bridgepoint Education Holiday Bowl	San Diego	\$500,000
12/27	AdvoCare V100 Independence Bowl	Shreveport, La.	\$400,000
12/27	Russell Athletic Bowl	Orlando	\$500,000
12/28	Meineke Car Care Bowl of Texas	Houston	\$1 million
12/29	Bell Helicopter Armed Forces Bowl	Fort Worth, Texas	\$750,000
12/29	New Era Pinstripe Bowl	New York City	\$2 million
12/29	Kraft Fight Hunger Bowl	San Francisco	\$1 million
12/29	Valero Alamo Bowl	San Antonio	\$2 million
12/29	Buffalo Wild Wings Bowl	Tempe, Ariz.	\$2 million
12/31	Franklin American Mortgage Music City Bowl	Nashville, Tenn.	\$750,000
12/31	Hyundai Sun Bowl	El Paso, Texas	\$1 million
12/31	AutoZone Liberty Bowl	Memphis, Tenn.	\$1 million
12/31	Chick-fil-A Bowl	Atlanta	\$2.5 million
1/1	Heart of Dallas Bowl presented by PlainsCapital Bank	Dallas	\$350,000
1/1	TaxSlayer.com Gator Bowl	Jacksonville, Fla.	\$2 million
1/1	Capital One Bowl	Orlando, Fla.	\$2.5 million
1/1	Outback Bowl	Tampa, Fla.	\$3 million
1/1	Rose Bowl Game presented by Vizio	Pasadena, Calif.	\$15 million*
1/1	Discover Orange Bowl	Miami	\$16 million*
1/2	Allstate Sugar Bowl	New Orleans	\$17.5 million*
1/3	Tostitos Fiesta Bowl	Glendale, Ariz.	\$17.5 million*
1/4	AT&T Cotton Bowl Classic	Arlington, Texas	\$3 million
1/5	BBVA Compass Bowl	Birmingham, Ala.	\$2 million
1/6	GoDaddy.com Bowl	Mobile, Ala.	\$1 million
1/7	Discover BCS National Championship Game	Miami	See Discover Orange Bowl

<sup>\*</sup>Includes season-long ad buy on ESPN and right to title national championship game every four years.

32. I also personally observed the January 6, 2014 BCS College football Championship game on ESPN. I noted most of the same sponsorship elements in this game as were contained in the Allstate Sugar Bowl

telecast, except, of course, the focus was on BCS title sponsor Vizio, the maker of TV's, and not Allstate insurance. A log of the 62 ¼ minute barrage of out-of-game commercial time from the start of the pregame show through the trophy presentation, together with a listing of the extensive in-game commercial sponsor references, and sponsored features, billboards, vignettes, bugs, product placement, in-stadium signage, and sponsorship materials on the game participants, including Student Athletes, is included herein as Exhibit 2 hereof. In this case, in addition to the product placement of Gatorade cups, coolers, and towels, there was also a huge Gatorade sign on the back side of the player benches, prominently featured several times during the telecast, yet another merger of in-program advertising juxtaposed with the Student Athlete images.

33. This is consistent with BCS game telecast content research by Richard Southall, et al, in 2009<sup>18</sup>. Southall studied the 5 BCS telecasts that year and determined that they averaged 50 minutes of standard commercial advertising announcements plus 38 minutes of sponsored graphics and graphics with verbal references—a total of 88 minutes per game (nearly one and a half hours-worth over about 3 ½ telecast hours). In contrast, Southall found that just 3 minutes per game were devoted to Public Service announcements (2 minutes of which were

<sup>&</sup>lt;sup>18</sup> Journal of Issues in Intercollegiate Athletics, 2009, 2, 150-176, College Sports Research Institute

for the NCAA), and less than a scant half minute per game of academically-related player information and educational commentary was included—hardly an example of a fundamentally "educational" broadcast.

34. Of course, the final BCS Championship game took place January 6, 2014, when Florida State defeated Auburn in the final exciting seconds of play. With the upcoming move to a playoff system, the BCS game will be replaced by a 4-team playoff, which will further extend the season for Student Athletes, while growing the TV revenue potential for conferences and universities. In 2011, ESPN announced a 12-year, \$5.64 billion deal for the new playoffs. Six bowls will rotate hosting the two semi-final games each year, with a new final game to take place the second week in January.

### VI. Commercialism of March Madness

35. Southall also performed a similar analysis of the 2006 and 2011

NCAA Men's Basketball Tournaments<sup>19</sup>. In 2011, in-game and out-of-game commercial messages accounted for an average of 44 minutes and 7 minutes per game respectively; a total of 51 minutes. This is substantially more than the game clock time per regulation game of

<sup>&</sup>lt;sup>19</sup> Media March Madness: A Comparative Content Analysis of 2006 and 2011 NCAA Division 1 Men's National Basketball Tournament Broadcasts, International Journal of Sports Management

just 40 minutes. The out-of-game time was divided between commercials (40 minutes) and PSAs (4 minutes, 75% corporate, 25% NCAA). 97% of the in-game graphic or graphic/verbal messages were commercial, while just 3% were academically or educationally oriented. The results were little changed from the 2006 study, except that the amount of out-of-game advertising time had grown in 2011 by an average of 2.5 minutes/game.

36. The collective value of March Madness to the NCAA cannot be understated. In direct dollars, the association received a total of \$902 million for the 2012-13 season<sup>20</sup>, of which 83% came from media and marketing rights (most of the rest is likely from event ticket sales and a variety of smaller items). Since 2006-07 the figure has ranged as high as 88%. Even though technically attributable to all of the 89 national championships in 23 sports, the vast majority of the media and marketing rights value stems directly or indirectly (because of favorable packaging) from the Men's Basketball Tournament. The NCAA uses 95.5% it to fund distributions to Division 1 membership, and the balance to pay for its operating overhead (HR, finance, building operations and salaries).

## VII. Commercial Arrangements in College Sports

 $<sup>^{20}</sup>$  Exhibit 24 Declaration of James I. Isch in Support of the NCAA's Opposition to Summary Judgment and the NCAA's Motion For Summary Judgment, December 11, 2013

- 37. The extent of commercialization in college basketball and football is hardly surprising. Even the NCAA itself <sup>21</sup>has candidly acknowledged that "the need for revenue from commercial activity associated with intercollegiate athletics (including ticket sales, sale of merchandise, royalties from the sale of media right, and the development of corporate sponsorships) is as essential to the successful future of the enterprise as is the continued integration of intercollegiate athletics with the values of higher education."
- 38. The report goes on to say, "...commercially generated revenue is both necessary and appropriate...[T]hrough marketing and promotion, the hype and drama associated with these games challenge anything that professional sports can offer." As a result, the report continues, "corporations are willing to pay premium prices for the opportunity to put their products before the eyes of an enormous audience across a broad spectrum of media." Therefore, it is not surprising that the report admits "college sports as an enterprise is a professional undertaking...guided by the same sound business principles as any commercial entity" which "allows the enterprise to compete favorably with professional sports for media attention and commercial support..."

 $<sup>^{21}</sup>$  Final Report of the NCAA's Task Force on Commercial Activity in Division 1 Interscholastic Athletics, Addendum Supplement No. 6, D1 Board of Directors 1/09

- 39. The Task Force's report concludes that the "relationship between commercial entities and college sports...should be encouraged and strengthened." However, it also notes that "when the differences between college sports and professional sports are diminished...the similarities begin to dominate...which is changing the look and feel of college games." Finally, the report concludes with the recognition that "as real world pressures to produce revenue and favorable visibility push the enterprise towards the professional sports approach."
- 40. The NCAA Corporate Champions and Corporate Partner programs are good examples of how the NCAA takes advantage of "corporations [that] are willing to pay premium prices for the opportunity to put their products before the eyes of an enormous audience across a broad spectrum of media." According to ncaa.com, these programs were "first introduced in 1984, and are...committed to developing marketing and promotional activities surrounding NCAA Championships." These programs "support all 89 NCAA Championships and [the companies involved] are granted a wide variety of benefits, including certain category exclusivity around use of NCAA logos, marks, designations and Championship tickets."

<sup>&</sup>lt;sup>22</sup> Corporate Champions and Partners, NCAA.com November 4, 2013

- 41. The programs are designed to perpetuate the NCAA brand by not only generating marketing revenues, but also by associating the NCAA with high profile, well-regarded corporate brands, and using those brands and their marketing muscle to enhance the NCAA and its

  Championships in ways the association could never do itself. For example, by partnering with Burger King, it will be "creating a national and local marketing platform that connects our two iconic brands with the fans that love them." The relationship includes "media, merchandising and on-site opportunities... with local franchises gearing up to activate programs across the nation." In this way, the NCAA events receive promotion in the Burger King stores nationwide, enhancing interest in and the profile of the events.
- 42. Northwestern Mutual has a similar NCAA Corporate Partner program which will "allow Northwestern Mutual to reach NCAA supporters, who are in the same demographic as many Northwestern Mutual clients and prospects." At the same time, the NCAA will benefit, not only from the financial support, but also the "unique grass roots marketing opportunities for the Northwestern Mutual financial advisors to get involved at the local level across all 89 NCAA Championships..." 24

<sup>&</sup>lt;sup>23</sup> Burger King Announces partnership with NCAA, press release, ncaa.org December 6, 2013

<sup>&</sup>lt;sup>24</sup> Northwestern Mutual Announces Multi-Year NCAA® Partnership with Turner Sports and CBS Sports, January 6, 2012, northwesternmutual.com

- 43. The Knight Commission in October, 2009 published its report on "Money, Athletics, and Higher Education in the 21st Century." There it reported that the major external sources of D1 athletic department revenue (not intra-institutional allocations from government subsidy or sources like student fees) on average were:
  - 30% Cash contributions from alumni and others
  - 28% Ticket sales
  - 17% Conferences/NCAA from TV rights and bowl payouts
  - 10% Local marketing/broadcasting sales
  - 15% Other including road game shares, food sales, etc.
- 44. Since the date of the report, the most significant change from the Knight Commission's findings, with respect to revenue sources, is the growth in the media component. This is made up of a huge increase in NCAA TV revenue as a result of the CBS/Turner agreement, as well as growth Conference sourced media revenues from new national agreements and the establishment of new Conference-themed cable networks.
- 45. The NCAA's CBS/Turner Agreement for the period 2010-11 through 2023-24 calls for fees to be paid to the NCAA ranging from

<sup>&</sup>lt;sup>25</sup> College Sports 101, A Primer on Money, Athletics, and Higher Education in the 21<sup>st</sup> Century by the Knight Commission on Interscholastic Athletics, October 2009

<sup>26</sup>. The average annual fee is \$771.4 million over the 14 year term. This compares with fees averaging from \$545 million in the prior NCAA/CBS Agreement, according to the NY Times and CNN. The average annual fees in the current agreement are 41.5% higher than under the prior agreement.

46. According to ESPN.com<sup>27</sup>, the major conferences currently have additional deals in place paying an average of \$1.185 billion per year. These figures represent huge increases from the amounts contained in agreements in effect just a few years ago, which together with the CBS/Turner NCAA agreement referenced above have certainly substantially increased the 17% share figure calculated by the Knight Commission<sup>28</sup>. The current Conference deals are as follows:

•	Dig 12	LSI N/I OX	\$200 mmon, year	
•	Pac 12	ESPN/Fox	\$250 million/year	
•	SEC	CBS/ESPN	\$205 million/year	
•	Big 10 ESPN/CBS/Fox/BTN \$248 million/year			
•	ACC	ESPN	\$240 million/year	

\$200 million /year

ESPN/Fox

• Big East Fox \$42 million/yr. (BB only)

Riσ 12

 $<sup>^{26}</sup>$  Multi-Media Agreement between Turner Broadcasting System, Inc., CBS Broadcasting Inc., and The National Collegiate Athletic Association dated as of April 22, 2010

<sup>&</sup>lt;sup>27</sup> A Comparison: Conference television deals, March 19, 2013, espn.com

<sup>&</sup>lt;sup>28</sup> College Sports 101, A Primer on Money, Athletics, and Higher Education in the 21<sup>st</sup> Century by the Knight Commission on Interscholastic Athletics, October 2009

- 47. The Conference deals referenced in the immediately preceding paragraph do not include revenues (and exposure) from a new and growing source—conference-branded TV networks. The start of this new trend can actually be traced back to 1999, when the NBA was the first major US sports league to launch a branded and leagueprogrammed network, NBA TV. [I was the architect of the NBA's plans for that channel]. Then in 2006, the Mountain West Conference launched the ill-fated The Mtn. Network, the first TV channel devoted to a single college conference (which shut down in 2012, demonstrating that the marriage between a conference and TV is not automatically successful.)
- 48. Then in 2007 came the launch of the Big Ten Network (BTN), an ultimately successful partnership between Fox and the Conference, which truly opened a new chapter in college sports television. In addition to the coverage, mostly of football and basketball, licensed to networks like ESPN and CBS, a substantial portion of the Conferences' remaining "money sports" contests are packaged on the network together with less popular "Olympic Sports" from across the conference. There is also conference-related news programming and non-game feature material presented on the network as well.

- 49. The BTN was followed in 2012 with the launch of the innovative, Conference-owned Pac 12 Network. Not simply a single channel, but a total of seven, one each for regions containing two Pac 12 teams each—Southern California (UCLA/USC), Northern California (Cal/Stanford), Oregon (Oregon/Oregon St.), Washington (Washington/Washington St.), Arizona (Arizona/Arizona St.), and the Mountain region (Colorado/Utah)—and an additional "national" feed. It should be noted that the expansion of the Pac-10 to be the Pac-12 (and there was even some consideration of creating a "superconference" of 16 teams) was all about creating critical programming mass, and increasing the conference's leverage in TV negotiations.
- 50. Next in line, ESPN and the SEC will launch a network devoted to that conference late this summer, in time for the 2014 football season. The Big 12 also has what it calls a "digital network," in effect a TV network over the internet, like YouTube, and the University of Texas also has a school-devoted network run by ESPN.
- 51. Conference networks are a product of the confluence of a number of sports media environmental factors:
  - a. The desire of schools, student athletes, and coaches (and the schools' marketing arms) for television exposure. There are far too many college events, particularly non-revenue,

- "Olympics Sports" to be adequately contained on the available national networks, and not enough demand for them to get coverage from existing networks on their own audience merits.
- b. The growing importance of live sports for linear television, including cable and satellite operators. With so much other entertainment available for download, streaming, or on DVRs, live sports has become relatively more important for the TV platform than ever before.
- c. The natural regional affinity of, and historical rivalries between, schools from the same conference. This together with the growing sophistication of conference operations, and the critical mass provided when the teams of several schools are combined, makes a conference network a strong proposition, particularly when sufficient football and basketball programming are included in the package.
- d. Additional competition in the cable and satellite marketplace, together with telco operations, putting pressure on operators to offer new branded networks, particularly in regions of particularly high interest, and a willingness to support these networks with subscriber license fees. The increase in channel capacity has also been an important enabling contributor.
- e. Efficiencies in high-end TV production, making the operation of a regional conference network more cost effective than would

- have been possible earlier. Some conference networks are also capitalizing on (unpaid) student in sports management and media-related programs to produce secondary programming.
- f. Recognition of the importance and value of television generally for the promotion for the school and conference brands.
- g. Desire to generate additional revenues directly from subscriber fees to add to school coffers. While the costs to ramp-up these networks is substantial, once they have achieved wide distribution, they have the option to either increase original production of more conference events and/or distribute network operating profits to member schools.
- 52. Of course, NCAA and conference TV arrangements are not the only media revenue generators for the schools. For events not committed to national or conference packages, many institutions also have local/regional deals with RSNs, cable operators and TV broadcast stations, as well as radio and internet streaming opportunities.

  Depending on the market size, the attractiveness of the school, and the inventory diverted to other opportunities like conference TV deals, these revenue opportunities range between about another \$1-5 million per school per year, based on the Knight Commission report.<sup>29</sup>

<sup>&</sup>lt;sup>29</sup> College Sports 101, A Primer on Money, Athletics, and Higher Education in the 21<sup>st</sup> Century by the Knight Commission on Interscholastic Athletics, October 2009

## Case4:09-cv-01967-CW Document956-3 Filed01/13/14 Page41 of 66 REDACTED VERSION OF DOCUMENT SOUGHT TO BE SEALED

53. One pro sports trend over the past 30 years was a feature of college campuses much earlier—naming buildings. From the early days of higher education, large donations from wealthy benefactors have resulted in family and individual names on campus buildings ranging from hospitals and research centers to whole schools and of course arenas. Over the past few decades, the professional sports trend of corporate naming, has gravitated to college sports stadiums, arenas, and even the actual playing fields as well. A recent SBNation.com article<sup>30</sup> (and other public sources) identifies about \$168 million in current college sports facility corporate naming deals (excluding BB&T Field at Wake Forest which was not publically available):

•	Apogee Stadium	North Texas	\$20 million
•	Bright House Stadiu	m UCF	\$15 million
•	Capital One Field	Maryland	\$20 million
•	Carrier Dome	Syracuse	\$3 million
•	High Point Solutions	Rutgers	\$7 million
•	Houchens Industries	Western Kentucky	\$5 million
•	InfoCision Stadium	Akron	\$5 million
•	Jones AT&T Stadium	Texas Tech	\$30 million
•	Kabam Field	UC Berkeley	\$18 million
•	Liberty Bank	Arkansas State	\$5 million
•	Papa John's Cardinal	Louisville	\$5 million

<sup>&</sup>lt;sup>30</sup> College Football Stadium Naming Rights by Avinnash Kunnath, February 22, 2013 SBNation.com

- TCF Bank Stadium Minnesota \$28 million

  While some portion of these deals might simply represent more
  generous alumni contributions, albeit made with company funds, the
  huge increase in college media coverage and the vast exposure value
  makes these expenditures effectively just another form of company
  media advertising buy.
- 54. Yet another college commercial revenue area driven in part by media exposure is the consumer merchandise licensing business. The Collegiate Licensing Company says, retail sales of college licensed product (apparel and non-apparel) grew from \$10 billion in 1980 to a projected \$50-75 billion per year by 2010.<sup>31</sup> "Nike maintains a vast majority of the major collegiate sidelines business, with 85% of the big league conferences." Adidas and Under Armor are also in the market. "Some viewers see the media broadcast and like the jersey or logo or mascot. Particularly on the international side, people tend to buy collegiate products because they like the color, the mascot, or the campus look rather than because they are fans of the school."
- 55. Beyond the substantial commercial revenues generated through the licensing and sale of school-identified merchandise to the public noted above, is the millions in direct payments from athletic apparel

<sup>31</sup> CLC Celebration by Lorri Freifeld, Licensemag.com, November,

manufacturers, and the provision of millions more in merchandise to each school. Exhibit 5 sets forth financial and contractual details for 66 D1 institutions that responded to a recent open records request for their contracts with corporate sponsor/apparel companies. These dictate, for example, the logo emblazoned apparel to be worn by Student Athletes during televised games. These logos are easily viewable in TV close-up shots which are typical between plays and which effectively turn SAs into human billboards during broadcasts.

- 56. The agreement between Under Armor and the University of Maryland is fairly typical: In addition to the \$1.475 million in annual cash payments and \$1.8 million in athletic merchandise, the school receives a bonus of \$200,000 for winning a national championship;

  Teams must use Under Armor products exclusively for all team activities, workouts, practices, games or competitions, tournaments, & sports camps or clinics operated by university or coaches, & at media interviews, press conferences, coaches's show, or public appearances when speaking for or acting as a representative of the team (4.1).
- 57. However, some of the agreements go well beyond the customary cash fee and free merchandise pattern, for example:
  - a. North Carolina: \$1 million to the university & \$2 million to
     Chancellor's Academic Enhancement Fund

- b. Michigan: In addition to the \$6 million annually in cash and merchandise, a \$6.5 million signing bonus; and an MFN such that payments to the school increase if a more lucrative deal is signed between Adidas & another college
- c. Colorado: University shall make its men's basketball team available to participate in a Nike-sponsored tournament not more frequently than once per team within any 3-year period.
- d. Connecticut: \$1 million royalty minimum; \$1 million toward new basketball arena

Dated: January 13, 2014

Edwin S. Desser

Santa Monica, California

## Case4:09-cv-01967-CW Document956-3 Filed01/13/14 Page45 of 66 REDACTED VERSION OF DOCUMENT SOUGHT TO BE SEALED

#### VIII. Exhibits

#### Exhibit1: Materials considered or relied upon

- 1. Multi-Media Agreement between Turner Broadcasting System, Inc., CBS Broadcasting Inc., and The National Collegiate Athletic Association dated as of April 22, 2010
- 2. 2010—11 NCAA Broadcast Manual, Championship
- 3. Sports Broadcasting and the Law, by Robert Alan Garett and Philip R. Hochberg, Indiana Law Journal volume 59 Issue 2, April 1, 1984
- 4. IEG Report: NCAA Corporate Partner Activation: Maximizing and Leveraging the NCAA Partnership, November 2002
- 5. CLC Celebration by Lorri Freifeld, Licensemag.com, November, 2006
- 6. College Football Stadium Naming Rights by Avinnash Kunnath, February 22, 2013 SBNation.com
- 7. College Sports 101, A Primer on Money, Athletics, and Higher Education in the 21st Century by the Knight Commission on Interscholastic Athletics, October 2009
- Focus on College Football Bowl Games: IEG Research and Insights into Bowl Game Sponsorships—Sponsorship.com
- Journal of Issues in Intercollegiate Athletics, 2009, 2, 150-176, College Sports 9. Research Institute
- 10. Media March Madness: A Comparative Content Analysis of 2006 and 2011 NCAA Division 1 Men's National Basketball Tournament Broadcasts, International Journal of **Sports Management**
- Exhibit 24 Declaration of James I. Isch in Support of the NCAA's Opposition to 11. Summary Judgment and the NCAA's Motion For Summary Judgment, Dec. 11, 2013
- Final Report of the NCAA's Task Force on Commercial Activity in Division 1 Interscholastic Athletics, Addendum Supplement No. 6, D1 Board of Directors 1/09
- 13. A Comparison: Conference television deals, March 19, 2013, espn.com
- NCAA's Memo ISO MSJ and Opp to AT Plaintiffs Motion for Summary Judgment 14.
- 15. Published TCAC Order, October 25, 2013
- Third Consolidated Amended Class Action Complaint 16.
- 17. Exhibit 2 log of commercials and sponsorship materials in 2014 BCS game by DSM

## Case4:09-cv-01967-CW Document956-3 Filed01/13/14 Page46 of 66 REDACTED VERSION OF DOCUMENT SOUGHT TO BE SEALED

- 18. Exhibit 5 compilation of publically available D1 contracts produced to the Portland Business Journal in response to open records requests (http://www.bizjournals.com/portland/blog/threads\_and\_laces/2013/12/database-nike-adidas-under-armour-ncaa.html?page=all).
- 19. The Management of Intercollegiate Athletics at UC Berkeley: Turning Points and Consequences, by John Cummins and Kirsten Hextrum (November 2013)
- 20. Burger King Announces partnership with the NCAA for All 89 Championships, NCAA Press Release, October 23, 2013, http://www.ncaa.com/news/ncaa/article/2013-10-07/burger-king-announces-partnership-ncaa-all-89-championships
- 21. Northwest Mutual Announces Multi-Year NCAA Partnership with Turner Sports and CBS Sports, Press Release, January 6, 2012, http://www.northwesternmutual.com/news-room/122609
- 22. *Details on Fox's Deal with the New Big East*, by Ken Fang, March 20, 2013, http://www.awfulannouncing.com/2013/march/details-on-fox-s-deal-with-the-new-big-east.html
- 23. Corporate Champions and Partners, November 4, 2013, http://www.ncaa.com/news/ncaa/article/2011-02-25/corporate-champions-and-partners
- 24. Big 12 Conference Digital Network, http://www.big12sports.com/mediaPortal/player.dbml?catid=1308
- 25. Individual/Entity Signing for Use of Credential for Access to Any NCAA Championship Games, Practice, Press Conference, or other in-Venue Activity Associated with the Championship, NCAAPROD00217961 62
- 26. NCAA Bowl Games Logos, http://www.sportslogos.net/teams/list\_by\_league/68/NCAA\_Bowl\_Games/NCAA\_Bowls/logos#past

## Case4:09-cv-01967-CW Document956-3 Filed01/13/14 Page47 of 66 REDACTED VERSION OF DOCUMENT SOUGHT TO BE SEALED

Exhibit 2: BCS Championship Game Commercial and Sponsorship Log

2014 BCS National Championship Football Commercial Format Log									
Pregame / Game / Halftime / Postgame Trophy Presentation									
ESPN - Jan	ESPN - January 6, 2014								
Total Commercial Time: 62.25 minutes									
Commer	Block	Commercial Units							
cial	Durat								
Block	ion								
Pregame	2:45	Dr. Pepper :30, AT&T :30, Nissan :30, Sports Center :15, Local							
1		:60							
Pregame	3:00	Shadow Recruit Movie :30, Cadillac :30, Dr. Pepper :30, Sylvania							
2		:15, ESPN Sports Center :15, Local :60							
Pregame	1:00	Nissan :30, Gatorade :30							
3									
1st	2:00	Vizio :30, :30 Allstate, Cadillac :30, AT&T :30							
Quarter 1									
1st	2:00	Taco Bell :30, Cadillac :30,Coors :30,Great Clips :30							
Quarter 2									
1st	2:00	Chevy:30,Microsoft:30,DIRECTV:30,Northwestern Mutual:30							
Quarter 3									
1st	2:00	Coke :30,Chevy :30,Capital One :30,Verizon :30							
Quarter 4									
End 1st	2:30	Discover Card :15,Taco Bell :30,AT&T :30,Shadow Recruit							
Quarter		Movie :15,Mind of a Man on GSN :30,Geico :30							
2nd	2:00	Dr. Pepper :30,Nissan :30,Frankenstein Movie :15,DISH							
quarter 1		Network :15,Vizio :30							
2nd	2:00	Tostitos :30,Nissan :30,Capital One :30,AT&T :30							
quarter 2									
2nd	2:00	Nissan :30,Allstate :30,Payanywhere.com :30,AutoTrader.com							
quarter 3		:30							
2nd	2:00	Verizon :30, Nissan :30, Lone Survivor movie :15, Taco Bell :15,							
quarter 4		BeatsPills Speakers :30							
End of	4:00	AT&T :30, Navy Federal Credit Union :30, Corona :30, Gillette							
2nd Qtr		:30, IBM :30, Movie :30, Local :60							
Halftime	4:00	Buick:30, Verizon:30, Coors Light:30, SEC Network ESPN:30,							
#1		Auburn University :30, FSU :30, Subaru :30, Local :30							
Halftime	3:00	Taco Bell :30, Bud Light :30, NCAA :30, SEC Network ESPN :30,							
#2		Subaru :30, Turbo Tax :15, Gold Bond :15							
Halftime	3:00	Buick :30, ESPN Promos for World Cup, 2014 College FB							
#3		Playoffs, CBB, ACC FB 2:00 , Local :30							
3rd	2:00	AT&T :30, Discover Card :15, Progressive Insurance :30, Home							
Quarter 1		Depot :30, Shadow Recruit movie :15							
3rd	2:00	All State Insurance :30, Mazda :30, Ride Along movie :15, Taco							

# Case4:09-cv-01967-CW Document956-3 Filed01/13/14 Page48 of 66 REDACTED VERSION OF DOCUMENT SOUGHT TO BE SEALED

Quarter 2		Bell :15, Vizio w/Pandora :30
3rd	2:00	Gatorade :60, Mazda :30, Head & Shoulders :15, Saving Mister
Quarter 3		Banks movie :15
3rd	2:00	Monuments Men Movie :30, Verizon :30, local :60
Quarter 4		
End of	2:30	Mazda :30, Lays :30, Lego Movie :30, AT&T :60
3rd		
Quarter		
4th	2:00	Directv: 30, Charles Schwab: 30, Ford: 30, Legend of Hercules
Quarter 1		movie :30
4th	2:00	Ford :30, Coke :30, Microsoft :30, Discover :30
Quarter 2		
4th	2:00	Vizio :30, Ford :30, AT&T :30, Lego Movie :30
Quarter 3		
4th	2:00	Taco Bell :30, All State Insurance :30, Dr. Pepper :30, Ford :30
Quarter 4		
Trophy	2:30	Ford :30, Gatorade :30, AT&T :30, ESPN NBA Promo presented
Present		by State Farm, SportsCenter :30, Dr. Pepper :30
Document	preparea	by Desser Sports Media

# Case4:09-cv-01967-CW Document956-3 Filed01/13/14 Page49 of 66 REDACTED VERSION OF DOCUMENT SOUGHT TO BE SEALED

		2014 BCS National Championship Football Co ESPN - Ja	nuary 6, 201		ani Sponsor Ennancement Log		
			, , , , ,				
Program			Program				
Block	Length*	Items	Block	Length*	Items		
Pregame 1	:20	Dr. Pepper Coach's trophy tease segment	Halftime	:10	Buick logo to and back from commercials - halftime		
Pregame 1	:10	Billboard: Dr. Pepper	Halftime	:06	Vizio BCS Animation bumps to/out		
Pregame 2	:10	Billboard: Taco Bell	Halftime	:10	Twitter logo on all announcers		
Pregame 2	:20	DIRECTV mobile Studio feature	Halftime	:20	Taco Bell Replays and announcer read		
Pregame 2	:40	Billboard BNY Mellon, ESPN Megacast 8 feeds, Goodyear	Halftime	:10	Twitter ESPN Ticker		
-		Nissan Vignette: Pregame Rush, Nissan Heisman House, BB					
Pregame 3	:60	Nissan	3rd quarter	:10	Vizio ESPN download App		
Pregame 3	:60	Pregame Rush Nissan bug	3rd quarter	:20	Discover Card Game Changer Highlights		
Throughout g	ame	Vizio title banner Pop-Up score	3rd quarter		Billboard: BCS, Vizio, Mazda, Taco Bell, Gatorade		
1st Quarter	:40	Billboards: Vizio,Cadillac,Allstate,Great Clips,Taco Bell	3rd quarter		Billboard: Goodyear Arial Blimp Coverage		
,					, ,		
1st Quarter	:40	Vizio ticker scoreboard	4th Quarter		Billboard: Ford, Coke, Microsoft, Discover		
1st Quarter	:20	Billboard: Goodyear Arial Coverage	4th Quarter		All State Good Hands Play sponsored highlights		
2nd quarter	:10	Billboard: DIRECTV Mobile Theatre:10 video	4th Quarter	:20	Billboard: Goodyear Arial Blimp Coverage		
2nd quarter	:30	Billboard: Dr. Pepper,Tostitos,Capital One,AT&T,Nissan	4th Quarter	:10	Twitter ESPN Ticker		
2nd quarter	:30	AT&T All-American Presentation Vignette	4th Quarter	:15	Ford Postgame promo		
2nd quarter	:60	Vizio ticker scoreboard	4th Quarter	:15	Coaches Trophy presented by Dr. Pepper Promo		
2nd quarter	:30	Twitter pop up	Postgame 1	:05	Twitter Logo Announcer ID		
2nd quarter	:20	ESPN College Football Playoff Coming Next Season	Postgame 1	:20	Coaches Trophy presented by Dr. Pepper Promo		
2nd quarter	:20	Buick Halftme Report promo in-game w/ logo	Postgame 1	:07	Billboard: Ford		
End of 2nd Q	:10	Buick Halftme Report Tease in-game w/ logo	Postgame 1	:05	Ford BCS Postgame Show Logo with VO		
Halftime	1:10	Buick Halftime stats, announcer set, graphics	Postgame 1	1:30	Dr. Pepper on camera Executive Presentation		
Halftime	:10	BCS Champ lower third crawl	Postgame 1	2:40	Ford w/ Logo on screen continiously		
Halftime	:07	Buick Halftime Report ESPN w/ Voiceover	Postgame 1	:05	Twitter Logo Announcer ID		
Halftime	:10	Vizio BCS Megacast Ticker	Postgame 1	:50	Vizio BCS logo Center of announcer set backdrop		
Halftime	:15	Billboard: Buick w/video box	Postgame 1		Goodyear Arial Coverage Closing Graphic		
		ESPN Branding			Stadium Signage		
ESPN BCS Viz	io Title lo	-	Fixed: Hond	la/Bank of	f the West/Dr. Pepper/Quest Auto Parts/State Farm/Muscle		
		of announcer set backdrop	Temporary:				
ESPN Score lo			Benches: Ga				
	-	ous (both on replays and live action)			Mid field, and each 25 yd In, corners/Lower 3rd/Goal posts/		
		ampionship replay animation transition	Yard Stick markers: Vizio BCS				
ESPN field rep			BCS Field Go				
ESPN Music v		-			Coaches		
-	, ,	Player Uniforms	AT&T heads	ets, Nike/	Under Armour coats, IMG shirt, Home Depot Coach of the Yea		
ACC / SEC. Ur	nder Armo	our/Nike, BCS, Reidell chin straps		, -,	Other		
22, 220, 01		-, -, -, -, -, -, -, -, -, -, -, -, -, -	Vizio BCS los	go towels	ACC/SEC ball boy shirts, Gatorade cups/water bottles		
			2 20 10	,	The state of the s		
Document nr	onared hu	Desser Sports Media	*				

#### Exhibit 3

I	
_	
	co
	~
	-
	w
	0
	-
	0
	0
	$\approx$
	<u>~</u>
	ш
	9
	=
	5
	Ф
	S
	ñ.
	=
	$\sim$
	57
	O
	ш
	$\alpha$
	=
	S
	5
	2
	ш
	z
	0
	$_{\sim}$
	$\overline{}$
	7
	$\sim$
	-
	=
	7
	_
	Z
	0
	*
	S
	5
	ш
	=
	回
	F

FROM: GREGG WINIK, NBA EXECUTIVE VICE PRESIDENT, PROGRAMMING AND EXECUTIVE PRODUCER

E: OCTOBER 24, 2005

SUBJECT: 2005-06 NBA VIDEO AND AUDIO HIGHLIGHTS LICENSE FOR UNITED STATES AND CANADA

Attached are the terms of the license for your use of videotaped, filmed or audio excerpts from National Basketalal Association (PNAN) games (referred to below and in the attached license as "Highlights"). Please provide a copy of this license to each member of your staff responsible for compiling and producing Highlights.

Highlights from NBA games, whether obtained from distributors that have been authorized by NBA Enterlanment, local over-the-air telecasis, cablecasis, local radio authorized by NBA Enterlanment, local over-the-air telecasis, cablecasis, local radio broadcasts or otherwise, are the copyrighted property of the NBA. Under the Copyright Revision Act of 1976 and the Communications Act of 1933 (as revised), the NBA has the right to protect its game transmissions. The NBA has granted NBA Enterlanment ("NBAE") the exclusive right to license (and authorize chers to distributely Highlights. Accordingly, no team or telecaster (or news packager, syndicator or any other party that is not specifically authorized by NBAE, has the right to license or otherwise authorize the use or distribution of Highlights. Any request for use of Highlights from your programs or game telecasts must be referred to NBAE.

Highlights are licensed on the condition that they are to be used in accordance with the attached license exclusively for news reporting purposes by those television and radio stations or networks in the United States and Canada that have received the attached license (and by no other person or entity). Any non-editorial, commercial or promotional use of Highlights through any form of media, including, but not limited to, electronic downloading or retransmission of Highlights, is expressly prohibited without the prior written consent of NBAE.

In addition, the NBA and individual NBA member team identifications are trademarks, coppyighted designs and other forms of intellectual property of NBA Properties, Inc. (YNBAP) and the NBA member teams and may not be used without the prior written consent of NBAP. Recipient understands and acknowledges these rights of the NBA and NBAP and agrees to adhere to these conditions and those limitations set forth in the attached license.

Any violation of the attached license may cause revocation of the license and/or subject the offending party to any other remedy available to the NBA and/or NBAE.

In the event that you (i) wish to use Highlights at such times and/or in circumstances not expressly permitted by the stached license, or (ii) need additional game footage, audio excepts from NBA games or archival footage from the NBA Library, please contact, by Dellapine of our Licensing Department at (201) 974-6604. Without limiting the foregoing, use of game footage or audio excepts in pre-game shows, weekly sports highlights programs, coachtes programs or in commercials or on-air promotional announcements requires the specific prior written approval of NBAE.

# 2005-06 NBA VIDEO AND AUDIO HIGHLIGHTS LICENSE FOR THE UNITED STATES AND CANADA

Videotaped, filmed or audio excerpts of a National Basketball Association (\*NBA\*) game (\*Highlights\*) may be used only by the news organization which serceived this license solely for news purposes in the recipient's regularly scheduled television or radio news programs in the United States and Canada up to 72 hours after the completion of the game to which they pertain.

- Highlights from any one NBA game that has been completed may not exceed two minutes per hour.
- Highlights of NBA games in progress may be used, provided that any such Highlights may not exceed 30 seconds per hour and may only, include Highlights of the first half of such game.
- Highlights from NBA games cannot exceed five minutes within any continuous hour of programming.

4

- Visual "courtesy" credit (or oral "courtesy" credit for radio) of at least three seconds for the Highlights must be given to (i) the National Baskethoal Resociation, and (ii) the applicable telecaster or radio broadcaster as Highlights are displayed or broadcast (e.g., for television, "Courtesy NBAMPON") or "Courtesy NBAMPO Sports", for radio, "Courtesy NBAMPOR" or the NBAMPON," or for foologie obtained via separate license from NBA Entertainment, "Courtesy NBAM Entertainment,"
- All copyrights, proprietary interests and other incidents of ownership in and to the Highlights (whether obtained "on site", from a game telecast or otherwise) shall belong to, and remain vested in, the NRA. The NBA has granted to NBA Enterlainment the exclusive rights to license game footage and audio exceptis from NBA games. This license does not in any way grant the recipient the right to broadcast or record any material "on-site" at an NBA game.

6

- No television station, national network or local cable origination channel may incorporate, superimpose, or "burn-in" into any Highlights a logo, trademark, advertisement, scoreboard or other graphic without prior written permission from NBA Entertainment.

  In consideration for the grant of this license, recipient agrees, upon the request of NBA Entertainment, to supply NBA Entertainment, and yeldoclaps or audio
- In consideration for the grant of this license, recipient agrees, upon the request of NBA Enterfainment, to supply NBA Entertainment with a videotape or audio recoding (as the case may be) of any program that incorporates Highlights as authorized herein and hereby consents to NBA Entertainment's use of excepts from any such program.
- NBA Entertainment reserves the right to withdraw permission for the use of Highlights by appropriate notice at any time and for any reason.
- 10. Highlights may not be sold or traded to any other entity and may not be used commercially, for overal promotion or in any other manner not specifically set forth above without prior written permission from NBA. Entertainment. By way of Entertainment. By way of Entertainment, entitlestion, but not limitation, without a specific separate license from NBA. Entertainment, eligibility may not be used (i) in pregame stooks, (ii) in weekly sports highlights shows, (iii) in coambes programs, (iv) in commercials, (v) in a "sponsored segment" of a program, (vi) in on-air promotions (eg., "tune-in".

MEMO TO:

promotion or "tease"), (vii) as "file footage", (viii) in video on demand or taped programming or materials or (kx) for any other use (e.g., archival) not specifically permitted by this license.  11. Neither this license nor the rights granted herein may be assigned or otherwise transferred in any manner without the prior written consent of NBA Entertainment.  12. Under no circumstances may any Highlights be broadcast or otherwise distributed on the Internet or via any other on-line service or computer network.  13. This license will be governed by the laws of the State of New York applicable to contracts entered into and performed entrirely within that State. Any court of competent jurisdiction siting within New York State. New York County will be the exclusive jurisdiction and venue for any dispute arising out of or relating to this license.	14. Use of Highlights constitutes acceptance of the terms of this license.	
2005-06 NBA VIDEO AND AUDIO HIGHLIGHTS LICENSE PAGE 2 Credentials for on-site game coverage by legitimate news organizations are issued separately by the NBA and are subject to the conditions and limitations contained therein. Any use of filmed, wideolaged or audio material agrineral "orsite" is subject to the terms of such credentials, the attached Video and Audio Highlights License or, where applicable, as provided in such other license agreement entered into with NBAE. Please note that (i) the attached license does not in any way graft the recipient the right to broadcast or record any material "on site" at an NBA game and (ii) all property rights with respect to any footage or audio of an NBA game and (ii) all property rights with respect to any footage or audio of an NBA game obtained "on-site" belongs to the NBA, and any use or distribution of such footage or audio must be property cleared through NBAE.		

#### Exhibit 4

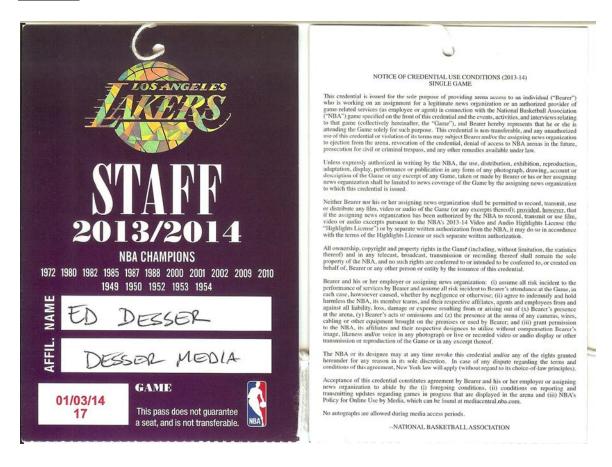


Exhibit 5

# Case4:09-cv-01967-CW Document956-3 Filed01/13/14 Page54 of 66 REDACTED VERSION OF DOCUMENT SOUGHT TO BE SEALED

## **ACC Conference**

University	Company	Cash	Product	Incentive	Comments
Clemson University	Nike	\$400,000	\$500,000		Performance bonuses for appearances in bowl, tournament & national championship games; Team members must wear Nike products during practices, games, exhibitions & other official or university sanctioned activities (8(a)).
Florida State University	Nike	\$1.4 - \$1.5 million	•	\$5,000 - \$25,000	Bonuses for winning an ACC basketball championship or appearing in a national championship game; \$3 million cash upon contract signage.
University of Maryland	Under Armour	\$1,475,000	\$1,900,000	\$1,000 - \$200,000	Bonus of \$200,000 is for winning national championship; Teams must use Under Armour products exclusively for all team activities, workouts, practices, games or competitions, tournaments, & sports camps or clinics operated by university or coaches, & at media interviews, press conferences, coaches's show, or public appearances when speaking for or acting as a representative of the team (4.1).
University of North Carolina at Chapel Hill	Nike	\$150,000	\$2.8 - \$3.4 million	\$100,000	\$1 million to university & \$2 million to Chancellor's Academic Enhancement Fund upon signage
University of Virginia	Nike	\$100,000 - \$200,000	\$1.2 - \$1.3 million	\$2,500 - \$50,000	\$3,000 - \$25,000 in product for coaches for personal use; Some incentive bonuses conditioned on wins; Blanket language of team members wearing Nike products during practices, games, exhibitions, tournaments & other official or university sanctioned intercollegiate athletic program activities.
Virginia Polytechnic Institute & State University	Nike	\$250,000 - \$275,000	\$900,000 - \$1 million		\$40,000 cash upon signage, \$120,000 in product; Blanket language of team members wearing Nike products during practices, games, exhibitions, clinics &/or sports camps controlled by university, locker room &/or sideline/courtside celebrations &/or presentations, & other official or University sanctioned activities.

# Case4:09-cv-01967-CW Document956-3 Filed01/13/14 Page55 of 66 REDACTED VERSION OF DOCUMENT SOUGHT TO BE SEALED

## **Big 12 Conference**

University	Company	Cash	Product	Incentive	Comments
Oklahoma State University	Nike	\$0	\$1.7 - \$2 mill	\$5,000 -	\$100,000 bonus for re-sign; Blanket language of team members wearing Nike products during practices, games, exhibitions, clinics &/or sports camps controlled by university, locker room &/or sideline/courtside celebrations &/or presentations, & other official or university sanctioned activities.
Texas Tech University	Under Armour	\$150,000 - \$700,000	\$700,000 - \$1.45 mill	\$2,500 - \$500,000	\$500,000 incentive bonus is for winning football national championship; Blanket language of teams must use Under Armour products exclusively for all team activities, workouts, practices, games or competitions, tournaments, & sports camps or clinics operated by University or coaches, & at media interviews, press conferences, coaches's show, or public appearances when speaking or acting as a representative of the team (4.1).
University of Kansas	Adidas	\$1.5 - \$1.8 mill	\$2.3 - \$2.4 mill	\$150,000	\$160,000 - \$200,000 guaranteed royalty minimum; Blanket language of each team wearing exclusively Adidas products when participating in team activities, including practices, games, clinics and other Kansas athletics functions for which Kansas athletics ordinarily and usually supplies products to the teams.
University of Oklahoma	Nike	\$550,000 - \$1.05 mill	\$1,325,000 - \$2.3 mill	\$5,000 -	\$120,000 - \$140,000 in product for university & athletic department for signage; Blanket language of team members wearing Nike products during practices, games, exhibitions, clinics &/or sports camps controlled by University, locker room &/or sideline/courtside celebrations and &/or presentations, & other official or University sanctioned activities.
University of Texas	Nike	\$2.43 mill - \$2.53 mill	\$3.13 mill - \$3.23 mill	\$0	\$375,000 in cash & \$750,000 in product for signage; Blanket language of team members wear Nike products exclusively during practices, workouts, games, or competitions, pre-season & post-season tournaments, conference play-offs & championships, post-season bowls, sports camps or clinics, & other official UTAUS organized or sanctioned activities.

# Case4:09-cv-01967-CW Document956-3 Filed01/13/14 Page56 of 66 REDACTED VERSION OF DOCUMENT SOUGHT TO BE SEALED

## **Big 12 Conference**

University	Company	Cash	Product	Incentive	Comments
West Virgina University	Nike	-	-	-	All monetary amounts redacted. Blanket language of team member must wear Nike products during practices, games, exhibitions, clinic, sports camps and other official or University sanctioned activities.

# Case4:09-cv-01967-CW Document956-3 Filed01/13/14 Page57 of 66 REDACTED VERSION OF DOCUMENT SOUGHT TO BE SEALED

## **Big Ten Conference**

University	Company	Cash	Product	Incentive	Comments
Indiana University	Adidas	\$800,000 - \$870,000	\$1.4 mill - \$1,435,000		\$150,000 - \$200,000 royalty minimum; \$500,000 signing bonus; Blanket language of team members wearing exclusively Adidas products during practices, games, exhibitions, locker room &/or sideline/courtside celebrations &/or presentations, & other official or university sanctioned activities.
Michigan State University	Nike	\$75,000 - \$100,000	\$1,053,000 - \$1.5 mill	\$0	Blanket language of team members wearing Nike products during practices, games, exhibitions, clinics &/or sports camps, locker room &/or sideline/courtside celebrations &/or presentations, & other official or university sanctioned activities.
Ohio State University	Nike	\$1,188,000 - \$1,488,000	\$2,426,014 - \$2,726,014	\$2,000 -	Additional \$150,000 for personal use by coaches, staff & select athletic department employees; Blanket language of team members must wear Nike products during practices, games, exhibitions, clinics & university-sponsored sports camps & other official, formal team-organized activities.
Purdue University	Nike	\$250,000 - \$300,000	\$900,000 - \$1.1 mill	\$0	Blanket language of team members must wear Nike products during practices, games, exhibitions, clinics, sports camps & other official university sanctioned activities.
University of Illinois	Nike	\$325,000	\$1.1 mill - \$2.2 mill	\$10,000 - \$25,000	\$500,000 commitment bonus; Blanket language of team members wearing Nike products during practices, games, exhibitions, clinics &/or sports camps controlled by university, locker room &/or sideline/courtside celebrations &/or presentations, & other official or university sanctioned activities.
University of lowa	Nike	\$275,000 - \$350,000	\$1 mill - \$1.25 mill	\$5,000 - \$50,000	Blanket language of team members wearing Nike products during practices, games, exhibitions, clinics &/or sports camps, locker room &/or sideline/courtside celebrations &/or presentations, & other official or university sanctioned activities.
University of Michigan	Adidas	\$3.8 mill	\$2.2 mill	\$0	\$6.5 million to sign; monies increase if more lucrative deal signed between Adidas & other college; Blanket language that teams wear exclusively Adidas products whenever participating in team activities, including practices, games, clinics & other university functions for which university ordinarily & usually supplied products to the teams.

# Case4:09-cv-01967-CW Document956-3 Filed01/13/14 Page58 of 66 REDACTED VERSION OF DOCUMENT SOUGHT TO BE SEALED

## **Big Ten Conference**

University	Company	Cash	Product	Incentive	Comments
University of Nebraska	Adidas	\$1 mill	\$1.5 mill	\$10,000 - \$600,000	Blanket language of team members must wear Adidas products whenever participating in athletic program activities in which products are being worn, including but not limited to competing in or practicing for their respective sports.
University of Wisconsin	Adidas	\$750,000 - \$800,000	-	\$0	Blanket language that teams wear exclusively Adidas products whenever participating in team activities, including practices, games, clinics & other university functions for which university ordinarily & usually supplied products to the teams; Reebok supply \$90,000 in product to men's & women's hockey (university shall provide exclusive, on-ice, Reebok-CCM product category exposure for helmets, gloves, pants, protective equipment & team apparel).

# Case4:09-cv-01967-CW Document956-3 Filed01/13/14 Page59 of 66 REDACTED VERSION OF DOCUMENT SOUGHT TO BE SEALED

## Pac-12 Conference

University	Company	Cash	Product	Incentive	Comments
UCLA	Adidas	\$3.5 mill	\$35,000 - \$2 mill	\$15,000 - \$500,000	
Arizona State	Nike	\$225,000 -	\$1.35 mill -	\$10,000 -	
University	INIKE	\$350,000	\$1.6 mill	\$25,000	
Oregon State University	Nike	\$0	\$1,997,000 - \$2,347,000	\$0	
University of California, Berkeley	Nike	\$200,000 - \$150,000	\$1.3 mill - \$1.8 mill		Decrease in Cash allotment as seen in contract; additional \$75,000 for each year head basketball coach stays
University of Colorado	Nike	\$400,000	\$1,365,000 - \$1,565,000		University shall make its men's basketball team available to participate in a Nike-sponsored tournament not more frequently than once per team within any 3-year period.
University of Oregon	Nike	\$250,000 - \$600,000	\$1.4 mill - \$2.2 mill	, -	\$100,000 - \$185,000 in product for personal use by university & athletic department employees; Once during the term, university shall make its men's basketball team available to participate in a Nike-sponsored basketball tournament.
University of Utah	Under Armour	\$550,000 - \$600,000	\$2,016,000 - \$1,816,000	\$2,500 - \$75,000	
University of Washington	Nike	\$400,000 - \$850,000	\$2.4 mill - \$2.8 mill		\$500,000 commitment honus
Washington State University	Nike	\$150,000 - \$200,000	\$1.4 mill - \$1 mill		Decrease in Product allotment as seen in contract; \$125,000 - \$150,000 in product for coaches, staff & other athletic department employees; University shall make its men's basketball team available to participate in a Nike-sponsored tournament not more frequently than once in any 3-year period.

# Case4:09-cv-01967-CW Document956-3 Filed01/13/14 Page60 of 66 REDACTED VERSION OF DOCUMENT SOUGHT TO BE SEALED

## **SEC Conference**

University	Company	Cash	Product	Incentive	Comments
Auburn	Under	\$850,000 -	\$550,000 -	\$1,500 -	
University	Armour	\$1.85 mill	\$1.25 mill	\$200,000	
Louisiana State University	Nike	\$1 mill	\$3.1 mill - \$3.5 mill	\$50,000	
Texas A&M University	Adidas	\$805,000 - \$1,503,560	\$1.2 mill - \$1,025,000	\$500 - \$500,000	Decrease in Product allotment as seen in contract.
University of Alabama	Nike	\$780,000	\$2.39 mill - \$3.09 mill	\$10,000 - \$25,000	
University of Florida	Nike	\$0	\$2,085,600 - \$2,101,600	\$0	University shall provide basketball team participation in Nike-organized competitions. However, this shall not exceed one per Contract Year.
University of Georgia	Nike	\$600,000	\$1.77 mill		University shall make its varsity athletic teams available to participate in a Nike-sponsored tournament or competition with no team required to make such an appearance more frequently than once within any three year period.
University of Kentucky	Nike	\$1.7 mill - \$1.8 mill	\$1.5 mill - \$1.6 mill	\$0	
University of Mississippi	Nike	\$0	\$1.6 mill - \$2.05 mill	\$0	University shall make its teams available to participate in Nike-organized competitions.
University of Missouri	Nike	\$125,000 - \$150,000	\$500,000 - \$1.85 mill	\$2,500 - \$40,000	
University of South Carolina	Under Armour	\$900,000 - \$1.2 mill	\$950,000 - \$1.1 mill	\$2,500 - \$500,000	

# Case4:09-cv-01967-CW Document956-3 Filed01/13/14 Page61 of 66 REDACTED VERSION OF DOCUMENT SOUGHT TO BE SEALED

## **American Athletic Conference**

University	Company	Cash	Product	Incentive	Comments	
University of	Adidas	\$135,000 - \$600,0		ćo	¢50,000, ¢70,000 vovaltu minimum, ¢100,000 cienine hanus	
Cincinnati	Auluas	\$280,000	\$940,000	<b>Ş</b> U	\$50,000 - \$70,000 royalty minimum; \$100,000 signing bonus	
University of	Nike	\$200,000 -	\$1.35 mill -	\$5,000 -	\$1 mill royalty minimum; \$1 mill toward now backetball, arona	
Connecticut	Nike	\$1,425,000	\$1.55 mill	\$25,000	\$1 mill royalty minimum; \$1 mill toward new basketball arena	
University of	Nike	\$0	\$550,000 -	\$2,500 -	Decrease in Product allotment as seen in contract; Incentive bonus	
Houston	Nike	ŞU	\$500,000	\$100,000	amount is in terms of product.	
University of	A didae	¢250,000	¢1.1 mill	\$2,500 -	\$100,000 royalty minimum	
Louisville	Adidas	\$350,000	\$1.1 mill	\$250,000	\$100,000 royalty minimum	
University of	Under	\$500,000 -	\$805,000 - \$1.15	\$1,000 -		
South Florida	Armour	\$725,000	mill	\$250,000		

# Case4:09-cv-01967-CW Document956-3 Filed01/13/14 Page62 of 66 REDACTED VERSION OF DOCUMENT SOUGHT TO BE SEALED

## **Conference USA**

University	Company	Cash	Product	Incentive	Comments
Offiversity				(in product)	
East Carolina University	Nike	\$0	\$133,000	\$500 -	
	Adidas	\$0	\$100,000 -	\$1,000 -	
Florida Atlantic University			\$175,000	\$15,000	
Florida International	۵ ما: مام م	\$0	\$75,000 -	\$1,000 -	
University	Adidas		\$175,000	\$10,000	
University of Alabama at	Nilea	\$0	\$30,000	\$1,000 -	\$20,000 in product for personal use for athletic department employees
Birmingham	Nike	ŞU		\$2,000	\$20,000 in product for personal use for athletic department employees
University of Texas at San	۸ ما: مام م	ćΩ	\$275,000	\$500 -	
Antonio	Adidas	\$0		\$5,000	

# Case4:09-cv-01967-CW Document956-3 Filed01/13/14 Page63 of 66 REDACTED VERSION OF DOCUMENT SOUGHT TO BE SEALED

## **Independent Conference**

University	Company	Cash	Product	Incentive (in product)	Comments
Now Movico State University	Adidas	\$0	\$90,000	\$1,000 -	
New Mexico State University	Adidas		\$90,000	\$12,500	

# Case4:09-cv-01967-CW Document956-3 Filed01/13/14 Page64 of 66 REDACTED VERSION OF DOCUMENT SOUGHT TO BE SEALED

## **Mid-American Conference**

University	Company	Cash	Product	Incentive	Comments
Offiversity	company			(in product)	Comments
Bowling Green State University	Adidas	\$0	Ć40E 000	\$1,000 -	
Bowling Green State Oniversity	Auluas		\$105,000	\$15,000	
Control Michigan University	Adidas	¢Ω	\$10,000 -	\$1,000 -	
Central Michigan University	Adidas	\$0	\$130,000	\$10,000	
Factory Michigan University	۸ didas	¢Ω	¢00,000	\$1,000 -	
Eastern Michigan University	Adidas	\$0	\$90,000	\$5,000	
Northorn Illinois University	۸ ما: مام م	\$0	\$150,000	\$1,000 -	
Northern Illinois University	Adidas			\$10,000	
University of Alman	A di do o	\$0	\$500 -	\$500 -	
University of Akron	Adidas		\$40,000	\$10,000	
Linius and the of Managachus atta	۸ ما: مام		\$125,000 -	\$1,500 -	
University of Massachusetts	Adidas	\$0	\$225,000	\$10,000	
Mastern Michigan University	A didas	\$0	\$2,000 -	\$1,000 -	
Western Michigan University	Adidas		\$20,000	\$5,000	

# Case4:09-cv-01967-CW Document956-3 Filed01/13/14 Page65 of 66 REDACTED VERSION OF DOCUMENT SOUGHT TO BE SEALED

#### **Mountain West Conference**

University	Company	Cash	Product	Incentive	Comments
UNLV	Nike	\$15,000	\$1 mill	\$7,500 - \$50,000	
Boise State University	Nike	\$30,000 - \$50,000	\$850,000 - \$1.15 mill	\$2,500 - \$25,000	
San Diego State University	Nike	\$0	Wholesale price to 10% off wholesale price	\$500 - \$1,000	Additional \$5,000 - \$20,000 for coaches; Incentive bonus in terms of product.
University of Hawaii	Under Armour	\$125,000 - \$160,000	\$225,000 - \$260,000	\$0	In addition to Cash & Product, \$20,000 - \$41,000 for coaches & \$10,000 - \$24,000 for staff
University of Wyoming	Nike	-	-	-	All monetary amounts redacted.
Utah State University	Nike	\$0	\$25,000 & Wholesale price to 10% off	\$0	\$5,000 to football head coach & assistants

# Case4:09-cv-01967-CW Document956-3 Filed01/13/14 Page66 of 66 REDACTED VERSION OF DOCUMENT SOUGHT TO BE SEALED

## **Sun Belt Conference**

University	Company	Cash	Product	Incentive	Comments
Texas State University -	Adidas	ćΩ	\$205,000 -	\$500 -	Incentive honus in terms of product
San Marcos	Adidas	\$0	\$230,000	\$10,000	Incentive bonus in terms of product.
University of South	Niko	\$0	¢50,000	\$0	
Alabama	Nike	ŞU	\$50,000	ŞU	