

Recently the Nike Shoe and Apparel Company entered into a six year, \$8 million deal with the University of Michigan, which primarily involves a promise of exposure for Nike in exchange for clothes, shoes, and cash for the University of Michigan sports program. The agreement also calls for Nike to give \$55,000 each year for five years to Michigan's School of Journalism Fellowship Program to fund a new fellowship for sports journalists. The agreement stipulates that a Nike representative will participate in choosing the fellows. Charles Eisendrath, the Director of the Fellowship Program, has protested that he was never informed about this stipulation, but instead only learned of it from an article in the *Washington Post*. Eisendrath stated emphatically that the Program cannot accept funding from Nike with the stipulation attached. In response an assistant to Michigan's Athletic Director said, "it is not unusual for donors to help select the recipient of their money." Erik Patton, a Nike spokesperson stated that Nike's involvement in the Fellows Program "reflects our involvement in the total partnership with the university." "It's not the case that we're trying to manipulate anyone, we are in the sports industry, and maybe we can enhance the opportunities for a sports professional," said Patton.

Would it be morally impermissible for the University of Michigan to accept funding from Nike for the sports journalism fellowship program, subject to the condition that a representative of the Company participate in selecting the recipient of the fellowship? If so, why? If not, why not?

MODERATOR'S ANSWER: The faculty and administration of the Journalism School at the University of Michigan have a professional obligation to maintain complete control over the selection of the Fellows in the Sports Journalism Fellowship Program. This is because the program is educational, and the Nike Show and Apparel Company has neither academic credentials nor expertise relevant for the education of sports journalists. Understandably Nike would prefer to have input into a program for which it has made a substantial economic commitment over several years. From Nike's standpoint this commitment may well represent an economic investment. A gift to establish a fellowship program at a university for educational purposes, however, is not an economic investment, and cannot be approached in that way, but rather must be guided entirely by educational considerations.

Case from the February 24, 1996 Intercollegiate Ethics Bowl. Copyright Robert Ladenson, Center for the Study of Ethics at the Illinois Institute of Technology, 1996.