

# **SYLLABUS AND COURSE OUTLINE`**

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## **WIDE WORLD OF SPORTS BUSINESS**

**ADV 378S/PR 378S**

**Spring 2019**

**Tuesdays and Thursdays 2 - 3:30 pm**

**Location: PAR 1**

**Instructor: Joel Lulla, JD**

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**Office Hours and location: By appointment in BMC 4.312**

**Graduate Assistant: Nathan Cooper**

**Moody College of Communication  
University of Texas at Austin**

**Title:** Wide World of Sports Business  
Course number: ADV 378S/PR 378S

**Description:** This course will examine the sports industry and the business of sports, including professional sports, the Olympic Games and college sports. In professional sports, students will learn about the structure and operation of teams, leagues and ownership, as well as stadiums and arenas and methods by which they are financed. We will also discuss revenue sharing and how leagues maintain competitive balance. Athlete compensation and labor issues will be examined, including unions,

collective bargaining, salary caps and luxury taxes. Students will also be assigned to a group and make a class presentation on an aspect of the business of sports.

For the Olympic Games, the class will examine the International Olympic Committee (“IOC”), national Olympic committees and local organizing committees, including the bidding process by which the IOC awards Olympic Games to local organizing committees. Revenue generation for the Olympic Games will be covered, including media rights exploitation, ticket sales, sponsorship and licensing.

In college sports, we will discuss the NCAA and its history, conferences and their member institutions, gender equity issues, and litigation and other challenges facing intercollegiate athletics. Students will learn about business aspects of the NCAA men’s basketball tournament, football bowl games and the College Football Playoff. Additionally, some of the legal and financial challenges facing intercollegiate athletics will be examined.

Lastly, the course will examine various gender, racial and ethical issues related to sports.

The course will be primarily lecture and discussion of important issues in sports business with guest speakers who are key executives in sports and/or sports media.

**Objectives:** The student who successfully completes this course will ideally be able to:

1. Appreciate the history of the sports industry and the impact of this history on the current shape of the industry.
2. Understand the various revenue sources of sports organizations.
3. Analyze the structure and economics of important current and past sports industry business transactions.
4. Recognize the important players in the sports industry and understand the motives for certain of their actions.
5. Understand the current challenges confronting the economic model of major professional, Olympic and college sports.

## **COURSE OUTLINE**

**Approach:**

This course will be comprised of thirty (30) sessions (two sessions per week), including a mid-term examination and an examination on the last day of class (May 9), with each individual session being approximately seventy-five (75) minutes in length. There will be a mixture of lecture by the principal instructor and guests, group discussion, quizzes and examinations.

### **Class Preparation:**

1. It is expected that each student will be prepared to participate in informed and constructive discussions.
2. Reading assignments and homework must be done prior to attending class so that all students will benefit from an informed discussion of issues.
3. Any written assignments are to be typed. Spelling, grammar, and punctuation must conform to professional standards. If your presentation or assignments incorporate concepts that originated with others, you must acknowledge your utilization of these concepts pursuant to MLA citation standards.
4. All cell phones must be turned off prior to class. Laptop use is NOT permitted and all laptops must also be turned off prior to class.

### **Attendance:**

Students are expected to attend every class, which is critical to their success in the course and the success of the course itself. As noted below, a substantial proportion of each student's grade will be attributable to in-class activities. Students should be prepared to start the class session on time. If for some reason, a student is unable to attend class, that student is expected to inform the GA via email prior to class. Being absent or late for class may result in a reduction of a student's grade for the course. If a student misses a class for any reason, it is also the responsibility of the student to be informed of the materials covered during the class. Each student is encouraged to find a "class buddy" who can share information and assignments.

### **Academic Integrity and Standards:**

Students are expected to uphold the highest standards of academic honesty and integrity in all course activities and assignments. It is expected that there shall be no deception regarding the representation made by the student of his/her preparation, participation or performance.

Plagiarism is presenting another person's work as though it is one's own and is a form of fraud. Plagiarism includes (but is not limited to) the presentation of a sequence of words from another writer, utilized without proper attribution. It is critical that students properly acknowledge the work of others and that the acknowledgement be accurate and complete.

The remainder of the course requirements and policies relating to cheating and plagiarism are subject to the standard policies and procedures for all UT-Austin students as established by UT-Austin

## **University of Texas Honor Code**

The core values of The University of Texas at Austin are learning, discovery, freedom, leadership, individual opportunity, and responsibility. Each member of the university is expected to uphold these values through integrity, honesty, trust, fairness, and respect toward peers and community.

## **Documented Disability Statement**

The University of Texas at Austin provides upon request appropriate academic accommodations for qualified students with disabilities. For more information, contact the Office of the Dean of Students Services at 471-6259 or 471-6441 TTY. Also, see <http://www.utexas.edu/diversity/ddce/ssd/>

## **Use of Canvas in Class**

In this class I will periodically use Canvas—a Web-based course management system with password-protected access at <http://courses.utexas.edu>—to distribute course materials, to communicate and collaborate online, to post grades, to distribute assignments, and to give students online quizzes and/or surveys. You can find support in using Canvas at the ITS Help Desk at 475-9400, Monday through Friday, 8 a.m. to 6 p.m., so plan accordingly.

## **Use of E-Mail for Official Correspondence to Students**

Email is recognized as an official mode of university correspondence; therefore, you are responsible for reading your email for university and course-related information and announcements. You are responsible to keep the university informed about changes to your e-mail address. You should check your e-mail regularly and frequently—I recommend daily, but at minimum twice a week—to stay current with university-related communications, some of which may be time-critical. You can find UT Austin's policies and instructions for updating your e-mail address at <http://www.utexas.edu/its/policies/emailnotify.php>.

## **Religious Holy Days**

By UT Austin policy, you must notify me of your pending absence at least fourteen days prior to the date of observance of a religious holy day. If you must miss a class, an examination, a work assignment, or a project in order to observe a religious holy day, I will give you an opportunity to complete the missed work within a reasonable time after the absence.

## **Behavior Concerns Advice Line (BCAL)**

If you are worried about someone who is acting in a disturbing manner, you may use the Behavior Concerns Advice Line to discuss by phone your concerns about another individual's behavior. This service is provided through a partnership among the Office of the Dean of Students, the Counseling and Mental Health Center (CMHC), the Employee Assistance Program (EAP), and The University of Texas Police Department (UTPD). Call 512-232-5050 or visit <http://www.utexas.edu/safety/bcal>.

## **Emergency Evacuation Policy**

Occupants of buildings on the UT Austin campus are required to evacuate and assemble outside when a fire alarm is activated or an announcement is made. Please be aware of the following policies regarding evacuation:

Familiarize yourself with all exit doors of the classroom and the building. Remember that the nearest exit door may not be the one you used when you entered the building.

If you require assistance to evacuate, inform me in writing during the first week of class.

In the event of an evacuation, follow my instructions or those of class instructors.

Do not re-enter a building unless you're given instructions by the Austin Fire Department, the UT Austin Police Department, or the Fire Prevention Services office

## **Q drop Policy**

The State of Texas has enacted a law that limits the number of course drops for academic reasons to six (6). As stated in Senate Bill 1231:

“Beginning with the fall 2007 academic term, an institution of higher education may not permit an undergraduate student a total of more than six dropped courses, including any course a transfer student has dropped at another institution of higher education, unless the student shows good cause for dropping more than that number.”

You can find advice, models, templates, and other resources for designing your course syllabus on the DIIA website at <http://www.utexas.edu/academic/diia/>

## **Grading and Evaluation:**

Individual assessment will be based on attainment of up to 100 points with the number of points assigned to each means of grading and method of evaluation as listed below:

<i>Quizzes, class participation and attendance, and student presentations</i>	<i>40% (30 points)</i>
<i>Midterm Exam</i>	<i>30% (30 points)</i>
<i>Exam on last class day</i>	<i>30% (30 points)</i>

**In-Class Quizzes shall be given by use of Canvas.** It is expected that a quiz will be given each Thursday on the reading materials that were assigned for that week, usually that week's issue of Sports Business Journal. Those in attendance on the date the quizzes are given will receive a minimum of 1 point for participating in the quiz and receiving a minimum of one correct answer on that quiz. **Please note that you will not be able to participate in the quiz unless you have access to Canvas on your phone or laptop. Also please note that unless you are in attendance, you will not be able to earn points from that day's quiz toward your final grade. Therefore, attendance is very important.**

**Midterm Exam.** A Midterm exam shall be given on **March 14**. It will consist of a number of multiple choice and similar type questions and will cover material assigned and lectures given through the date of the exam.

**Last Day Exam.** An exam shall be given on **May 9, the last day of class**. It will consist of a number of multiple choice and similar type questions and will cover material assigned and lectures given throughout the entire semester.

## **Grading**

Course grades will be made according to the following grading scale:

Under the plus/minus grading system of the university, grades will be calculated as follows: 100-93, A; 92.9-90, A-; 89.9-87, B+; 86.9-83, B; 82.9-80, B-; 79.9-77, C+; 76.9-73, C; 72.9-70, C-; 69.9-67, D+; 66.9-63, D; 62.9-60, D-; 59.9-0, F.

## **Reading Materials**

Required Reading: *Futtterman, Matthew*, **Players: The Story of Sports and Money and the Visionaries Who Fought to Create a Revolution**, Simon & Schuster, 2016

Optional Reading: *Rosner, Scott. R. and Shropshire, Kenneth L*, **The Business of Sports**, (Second Edition) Jones Bartlett Learning, 2011

Students will also be expected to stay current with breaking news about sports business, both on their own initiative and by checking Canvas for reading assignments that I will add based on current developments. Students will be required to subscribe to the on-line edition of *Sports Business Journal*. *Sports Business Journal*, which is available on-line weekly commencing Monday mornings, must be read each week prior to that Thursday's class.

## **Course Plan**

### **Session 1 (Jan 22): Orientation to Class and Review Syllabus**

- Review reading materials and additional resource material including SBJ.

- Discuss what students can expect of the class and what I will expect from each student

## **Session 2 (Jan 24): Professional Sports Ownership**

- Discuss ownership structure, including individual and corporate owners.
- Discuss the personality, motivations and objectives of owners.
- Examine the value of ownership, alternative ownership models and certain tax considerations.

## **Session 3 (Jan 29): The Creation of the Sports Agent**

- Discuss the advent of athlete representation
- *Readings for this session:* **Players**, Chapters 1-3

### **Professional Sports Leagues**

- Discuss organizational structure of pro leagues.
- Discuss alternative models of leagues including EPL's relegation.
- *Readings for this session:* **The Business of Sports**, pages 49-64

## **Session 4 (Jan 31): Athlete Empowerment and Free Agency**

- Discuss early professional athletes and their lack of power and contract negotiating leverage.
- Discuss Catfish Hunter and his affect on free agency for all athletes
- *Readings for this session:* **Players**, Chapters 4-5

### **Global Sports Leagues**

- Examine EPL's Arsenal FC's annual report
- Discuss player transfers in MLB, NBA and NHL
- Discuss worldwide drafts
- *Readings for this session:* **The Business of Sports**, pages 65-98

## **Session 5 (Feb 5): Development of the Modern Athlete**

- Examine the Bollittieri Tennis Academy and the other IMG Academies
- *Readings for this session:* **Players**, Chapter 6

### **Emerging and Niche Leagues:**

- Examine MLS and its history and single-entity structure
- Examine challenges of women's pro soccer and WNBA
- Discuss XFL and its sole season
- Examine Minor League Baseball
- *Readings for this session 7: **The Business of Sports**, pages 99-139*

#### **Session 6 (Feb 7): Revenue Sharing and Competitive Balance**

- Examine types of revenue sharing among teams
- Discuss rationale for competitive balance in leagues and methods for achieving balance
- *Readings for this session: **The Business of Sports**, pages 141-177*

#### **Session 7 (Feb 12): Teams**

- Discussion of revenue sources
- Examine the current composition of the major and mid-major athletics conferences and discuss possible future changes to the conference landscape
- *Readings for this session: **The Business of Sports**, pages 179-227*

#### **Session 8 (Feb 14): Guest Speaker: Dan Beebe, Former Big 12 Conference Commissioner**

#### **Sessions 9 and 10 (Feb 19 and 21): The Olympic Games:**

- Examine the structure of the Olympic movement and relationship between the International Olympic Committee, National Olympic Committees and Local Organizing Committees.  
Examine management of local organizing committees
- Discuss revenue sources of IOC, National Organizing Committees and Local Organizing Committees  
Discuss Olympic sponsorships  
*Readings for these sessions: **The Business of Sports**, pages 453-476*

#### **Session 11 (Feb 26): Stadiums and Arenas**

- Discuss stadium financing methods and instruments
- Examine public subsidizing of stadium and arena financing
- *Readings for this session: **The Business of Sports**, pages 229-254*

#### **Sessions 12 and 13 (Feb 28 and March 5): Media**



- Discuss free over-the-air networks.
- Examine the differences between cable and over-the-air networks.
- Discuss league perspectives on media deals
- Examine affects of new technology on sports media deals
- Examine Regional Sports Networks
- *Readings for these sessions:* **The Business of Sports**, pages 255-297

#### **Sessions 14 and 15 (March 7 and 12): Labor Matters**

- Discuss role of player unions
- Examine athlete compensation issues
- reasons behind the recent partnership between CBS and Turner Sports on NCAA Men's Basketball Tournament telecasts.
- Discuss broadcast history of BCS and evolution to new College Football Playoff.
- *Readings for these sessions:* **The Business of Sports**, pages 299-405

#### **Session 16 (March 14): Midterm Examination**

#### **Session 17 (March 26): Franchise Valuation and Sales**

- Examine methods and criteria of franchise valuation
- Discuss credit ratings for franchises
- Discuss future of franchise valuations and sales
- *Readings for this session:* **The Business of Sports**, pages 407-450

#### **Session 18 (March 28): Guest Speaker, TBA**

#### **Session 19 (Apr 2): NCAA Men's Basketball Tournament**

- Examine revenue sources from Tournament
- Examine television agreement with CBS and Turner
- Discuss revenue distribution from NCAA to conferences
- *Readings for this session:* **TBA**

#### **Session 20 (Apr 4): College Football Bowl Games and College Football Playoff**

- Discuss history of bowl games and the evolution of a national championship game
- Examine College Football Playoff and associated games, including revenue distribution.
- *Readings for this session:* **TBA**

### **Sessions 21 and 22 (Apr 9 and 11): College Sports: NCAA History and Structure**

- Discuss the history of the NCAA
- Examine organizational structure of intercollegiate athletics
- Examine governance of NCAA
- *Readings for these sessions:* **The Business of Sports**, pages 479-501

### **Session 23 (Apr 16). NCAA and Conference Affiliation**

- Discuss conference membership and composition
- Financial overview of intercollegiate athletics
- *Readings for this session:* **The Business of Sports**, pages 503-533

### **Sessions 24 and 25 (Apr 18 and 23): NCAA Litigation and the Future of the NCAA**

- Examine issues arising from the Northwestern NLRB, O'Bannon, Jenkins, and other lawsuits against the NCAA and the potential consequences for the NCAA and intercollegiate athletics of adverse rulings, including changes in the economic relationship between universities and student-athletes
- Discuss current NCAA regulations regarding student-athlete compensation and issues raised by recent investigations.
- Discuss differences in the role and responsibilities of the student-athlete in universities that are members of power conferences as opposed to universities that are members of the mid-majors (or NCAA Divisions II and III) and whether there should be different sets of rules for student-athletes (e.g., compensation) depending upon their sport and/or university/conference affiliation.
- *Readings for these sessions:* **TBA**

### **Sessions 26 and 27 (Apr 25 and 30): NCAA Member Institutions:**

- Discuss institutional impact of major intercollegiate athletics.
- Examine institutional fundraising
- Examine operational and tax issues
- Discuss whether big money athletics is in conflict with the non-profit educational mission of universities
- *Readings for these sessions:* **The Business of Sports**, pages 535-614

### **Session 28 (May 2): Guest Speaker, TBA**

### **Session 29 (May 7): Title IX, Gender Equity and Race Issues**

- Examine Title IX issues as well as the role college sports media plays in covering women's athletics
- Discuss pay equity for women's coaches vs men's coaches
- Examine racial composition of athletes in various sports
- Examine discrimination at the coaching and front office level
- *Readings for this session:* **The Business of Sports**, pages 615-645 and 683-717

**Session 30 (May 9): Last Day Examination**