

Once again I was asked about my position on NBA players and the Olympics. One question from 1 reporter usually leadsto followups form 100 more. So in the interest of disclosure, fairness and time,I decided topost the response here and save myself some time.....

In the sports marketing world, advertisers usually have a set sports marketing budget. Each advertiser gets pitched by all the different sports entities competing for those dollars. Among those competitors are both the Olympics and NBA. One of the beauties of the NBA pitch is that our athletes are so recognizable, personable and respected. The ability for an advertiser to connect their products to KG, Tim Duncan, Shaq, Dirk, etc, individually, or by buying sponsorship or commercials in game, is a huge selling point for us. It should be a huge selling point exclusively available to the NBA, but unfortunately that is no longer the case.

When the NBA was broadcast on NBC, it was far less of an issue.With NBC as the home of the Olympics and the NBA broadcast partner, there were a ton of cross promotional and selling opportunities. NBC could promote the Olympics in NBA games, and promote the NBA in the Olympics broadcasts. NBC could require advertisers to buy NBA advertising in order to get Olympic advertising,or vice versa. There were untold win – win scenarios by having both the Olympics and the NBA together at NBC.

That obviously is not longer the case. The NBA is now on ESPN/ABC and TNT. They are paying us a lot of money in a deal that has been working well for all invovled. What in the world are we doinghelping our partners competition ?Why are we giving our most valuable manpower to a huge business, the Olympics so they can try to take revenue away from the NBA and our partners ?

Lets put this in basketball terms...Would youtrade KG, TD, Peja, Jermaine and 10 more all stars , and pay their salaries in case they get hurt , fornothing.

In exchange for providing our best players to the Olympics, the value we are supposed to receive is increased visibility and demand for the NBA, its players and merchandise. The value of which can be quantified as the total revenues received annually by each team from international TV and merchandise sales.

I wonttell you what that number is,but I can tell you it wouldnt pay the salary of a player signed for the million dollar exception this year.

So we are subsidizing the US Olympic committee by:

– Providing players that we pay for

-Reducing the amount of advertising dollars available to the NBA and our broadcast partners by allowing advertisers to use our players via Olympic broadcasts and programs

– Putting our most valuable players at risk, with the possibility of having to pay their salaries even if they are unable to perform,or to perform at the previous levels

– Potentially cheating our fans and customers who make investments in our league, teams and products, with players who are worn down or injured from their Olympic experience

– Whats even crazier is that the USA fans who buy our tickets and pay the players salary probably wont even get to see our stars in more than the Gold medal game.If that !

Where is the logic in any of this ?

I understand that players want to represent their countries. Thats great. Lets put toetogether an NBA organized and sanctioned international competition that we can control and profit from. We canallow anycountry to enter a team, and let NBA players represent their country.

If its that important, lets alsoexpand the exhibitions the NBAplays in and against other countries. Im all for international play as long as its in the context of an NBA program that gives consideration to the core NBA fan, customer and partner first and foremost.

If you agree, call your favorite team and tell them you dont want your players participating in the Olympics. You want them getting ready for the next season. And then order your season tickets ■