

Commissioner Tagliabue Press Conference
League Meeting, Kansas City
November 15, 2005

I know you probably have questions on different subjects, but this is obviously our regular fall meeting. We had a tribute to Wellington Mara, with Dan Rooney and Mike McCaskey both speaking from their perspectives, with the Steelers and the Bears being founding member of the league. I gave an overview and a midseason report both on football and business. We had a presentation on our television arrangements and this Thursday-Saturday package that we're discussing with a number of the television companies. We had a report on the status of collective bargaining negotiations and held over for tomorrow some other subjects. We'll be resuming at 8:30 in the morning.

Re: Arrowhead Stadium renovations in Kansas City.

It's something I've been discussing with Lamar Hunt and his organization for some months, and it's an exciting concept for Arrowhead Stadium. We're going to resume the discussion in the morning.

Q: Does a Super Bowl in Kansas City depend on putting a roof on the stadium?

I'd rather not speculate. The policy we have assumes that northern-city Super Bowls would be in domed stadiums. We've had a number of stadiums built in northern locations, including Denver, Chicago, Green Bay, and Cleveland. We've had the one situation in New York where the membership supported a northern-city Super Bowl, but that was to be in a domed stadium on the west side. When that stadium was not approved, the Super Bowl was withdrawn. So this was really kind of a first impression type of issue, and it's going to be one of the reasons why we're discussing it.

Q: Would Lamar Hunt's contributions be a factor in whether Kansas City gets a Super Bowl?

I'm certain it would. I'm certain it would be a very positive thing. He's got tremendous regard among the owners – obviously, he's the founder of the American Football League and for 45 years has been a great credit to not just this sport, but to other sports. I'm sure that would be a very positive factor for many of the owners. They've had a terrific football team, produced great football over the years, and great rivalries and great fan support. So all of those things, including the fan support, would be positives.

Re: The future of the Saints.

We had a meeting today of the eight-owner advisory committee that I appointed, and unfortunately I cannot comment because I was not in the meeting. There was a meeting with Mr. Benson and most of the eight owners, not all of them. I'm not up to date on what was discussed. I think the short answer is that no decisions have been made. We are

where I said we would be when I was in Baton Rouge a couple of weeks ago. I'm making plans to be in New Orleans in December. So we'll continue to take it a step at a time.

Q: When are you going and where will you go?

I'll tell you the answers to both questions when I know the answers more precisely than I do. I think it's obvious where I'm going; I'm trying to understand what's going on.

Re: The Saints' 2006 schedule.

We're currently looking at the idea of putting out the Saints' schedule well in advance of the rest of the schedule in order to eliminate uncertainty and facilitate planning. Whether we can do that and how early we can do that is something we've been having very intensive discussions about within our staff.

We want to know where the team is going to play its games as soon as we can, so one way of doing that would be to announce the Saints' playing schedule well in advance of the rest of the schedule.

As you know, right now we know all the opponents. I think maybe that we don't know two because there are two positional slots. But we know the opponents in 14 of the 16 games and we know the locations of 14 of the 16 games – in terms of home and away, we know the location of 14 of the 16 games. So we're looking at that and we're looking at where they might play their four preseason games and then trying to come up with a framework for a schedule that would fit around some of the alternatives that we might have to fit around, like the availability of the Superdome, the availability of LSU, the availability of, potentially, other stadiums, and trying to get to the point of being able to say shortly after the end of this season that "the center of gravity is going to be here," so that the team and the coaching staff and the business communities in the various areas, the fans, television networks and everyone else, will have a greater amount of time to plan for whatever the 2006 schedule ends up being.

Q: Is it possible all of the Saints' home games will be played in the same place?

No. I didn't say that. I said our focus and our priorities are on Louisiana, but we said we were going to continue to have to consider scheduling formats that might be similar to this year or might be dissimilar to this year, but I think that it's going to be very difficult to say that every home game is going to be played in one place.

Re: Upcoming trip to New Orleans.

I think that there has been such a human toll in Louisiana and the Gulf Coast region that I understand – I think I understand, I'm trying to understand, that's one of the reasons I'm going to New Orleans – is to try to understand the frustrations that people are facing in terms of jobs, getting their lives back to normal, getting their homes back, getting everything back, getting their schools back. I think that some of the reporting both in

print and in television or radio has been incredibly compelling in terms of the disruption to the lives of people. We see how it affects sports, from youth sports, the story in the *New York Times* on Saturday about high school football in New Orleans and elsewhere in Louisiana, the stories that we've read about Tulane playing 12 games in 12 different locations, what the Saints players have gone through and what their families have gone through. All of these things are difficult for everybody to deal with. If there's anger out there or a negative attitude, I guess it's a natural outgrowth of the tragedy that people have been through.

I don't think it helps to play the game of putting white hats on some people and black hats on other people. Everyone is doing their best here in unprecedented circumstances. I think it calls for everybody to pull together without reaching premature judgments about who's a white hatter and who's a black hatter. These are very difficult challenges. No one is going to have a magical solution, and I think everyone needs to be patient. In terms of ticket sales, we've made the decision ourselves to waive our normal blackout policy for the games at LSU. So we've anticipated that there would be fewer ticket sales for the games at LSU because that's a natural consequence of televising every game in the market. Those kinds of things are going to have to be reevaluated and changed for next year or adjusted. So there are a lot of complications here, and I think everyone is working in good faith to try to get them resolved.

Q: Was the black hat put on Tom Benson?

At some point. I don't know the answer to that yet. I think that, which frequently happens in emotion-charged situations, people are unfairly reduced to being caricatures when there is no reason for that. Small things are made into big things when no real purpose is served by that. But again, it's an emotion-charged situation. Those are the kinds of things that happen in emotion-charged situations. I think we've got to just try to lower the temperature and have a sober assessment of what's realistic in terms of the capability of the region to support a team going forward. We have to have a sober assessment of what kind of rebuilding and reinvestment, if any, new investment, if any, in the Superdome makes sense. These are all complicated decisions, to put it mildly. It's uniquely a situation where the effectiveness of one decision probably depends to an extraordinary degree on the effectiveness of another decision.

If you go back and look at other similar situations, whether it was earthquakes in northern California or earthquakes in southern California, including the FEMA funding that went into the LA Coliseum, they were relatively simply decisions because much of the infrastructure in terms of employment, schools, hospitals, all of the other essentials of life, remained in place in northern California and in southern California in the aftermath of the earthquakes. Freeways came down; bridges came down; things were severely damaged. There was loss of life, but you didn't have the destruction of the police department, the destruction of hospitals, the destruction of schools, the destruction of all the other amenities of life that you had in this region. So it's a very, very complicated situation.

Re: Will anything special be done to help the Saints keep their players?

We've been discussing that for about five weeks, and I had discussions about that with Gene Upshaw within the last week, about whether or not there will be any special measures we will have to put in place to enable the Saints to keep their team together and there are some things we've done in the past with expansion teams. There are some things we do with benefits. There are things that could be done with performance-based pay that would help to keep the team together in the face of some of the uncertainties that are inevitable, but as I said earlier, we are also trying to reduce the uncertainties by seeing if we can announce a playing schedule for the Saints well in advance of the rest of the schedule.

Re: G-3 stadium funding for Kansas City stadium renovations.

There would be, under our policy guidelines for G-3, there would be G-3 funding available for this type of a stadium. If there were the rolling roof concept, I believe it's the case that there could be some additional G-3 funding provided that there was additional investment by the Chiefs in that type of facility.

Q: How much G-3 funding could the Chiefs use for renovations?

You're getting into a complicated area which I can't give a reliable answer to, because we have a limit on our G-3 funding that's available. It's the concept that some of the G-3 funding for stadium construction comes out of revenues generated within the stadiums, whereas other portions of the G-3 funding comes from television, which all teams put in, and have committed to put in up to \$1 million per year of television revenue – \$32 million total. We cannot exceed that \$32 million annual commitment of television revenue under the current G-3 resolution, and we're beginning to approach that limit now.

Re: CBA as it relates to revenue sharing.

I think we're going to come back to those issues tomorrow – the internal revenue sharing issues. I think we are making some progress. We had a good, healthy discussion today for almost three hours on those issues. We were talking about the concept where we would try to put in place sort of the two bookends of our current business model, which is a very significant portion of total league revenue being equally shared, the media revenue, which is normally 50 percent or more of the total, and then limiting the percentage of the total that could be unshared so that the two bookends of our business model that have been so important historically would remain in place. If we could get that adopted, then the rest of it would be fine tuning in relation to the ultimate terms of a CBA. On the collective bargaining agreement itself, I think we're still very far apart with the Players Association. There's a lot of disagreement about how stadium construction costs and other significantly increased operating costs should be factored into the CBA. We start from the fact that NFL players already receive the highest compensation of players in any professional sports league, certainly in the United States – over \$100 million per team

this year. We're the first league ever to go across that limit. That fact plus the growing costs of private investment in stadiums and other facilities is creating a very difficult negotiation.

As we look to the future for the Jets-Giants agreement for privately financing a stadium and the agreements that we have reached on terms in Los Angeles, which will again involve the private financing of stadiums at the Coliseum and/or in Anaheim, those private financing costs, which are very large, have to be factored into any CBA. That is one of the complexities.

Q: IF there is no CBA extension by March, will you be unable to go forward in L.A.?

It's a little early to be definitive on that. I think that if there is not a CBA extension by March, it's going to be negative for everybody in the league because the groundrules that are in place as you go into the last year of the salary cap and into the uncapped year in 2007 are designed to create pressures for both sides to come to the negotiating table to come up with an extension either of the existing system or some modification of the existing system. As one example, in the uncapped year in 2007, there is no longer free agency after four years; there is free agency after six years. There are significant changes in terms of how contracts can be structured, how bonuses can be prorated, which tend to be negative for both sides. They were designed to create incentives on both sides to negotiate an extension. But free agency after six is obviously not a positive, nor is the absence of a cap a positive since it creates uncertainty in terms of squad planning and decision making and number of other things. On the other hand, the draft is in place for 2008, which is an element of certainty. So there's a mixture of certainty and uncertainty as you go out into '06, '07 and '08.

Q: Did Clark Hunt make the presentation on the Chiefs' Stadium?

No. Lamar Hunt made an excellent presentation and summary. Clark had made a presentation at our last meeting in Detroit in early October. And then both Lamar Hunt and Jack Steadman took questions from the membership and had some follow-up discussion.

Re: Clark Hunt.

I think Clark is outstanding. He proves the axiom that apples don't fall far from the tree. He's got all of his father's qualities, and he's on one of our key committees, which is the pension management committee for the player pension fund. So he's got hopefully as long a future in the sport as his father had, and less time on soccer and tennis and the Olympics.

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