

**Commissioner Tagliabue Press Conference  
Special League Meeting  
New York Grand Hyatt Regency Hotel  
March 2, 2006**

Good morning. Obviously we concluded a short but important meeting with our owners. As I think you all know, we came here to explain to them why we're deadlocked with the Players Association. The Players Association has on the table a demand which doesn't recognize the reality of our league's economics today. It's a very excessive and unrealistic demand. So we went through that. The membership endorsed the conclusion that our labor committee – the eight owners on our Management Council Executive Committee – had reached when we met with them late yesterday afternoon and last evening. We are indeed deadlocked because of the excessive elements of the Players Association's economic demand and that demand did not provide a basis for any further negotiations. That conclusion of the Management Council Executive Committee was unanimously endorsed by the entire membership. Any questions?

**Q: What is the difference between 56 (percent of revenues) and 60 (percent)?**

PT: It's not the difference between 56 and 60. I don't know where those numbers come from. It's the fact that, in the last half dozen years, we've created a structure that has enabled us to build an unprecedented number of new stadiums, great stadiums, many of them with very large investments by owners and the league of private resources. Those stadiums, coupled with our TV revenues, have been the engine that has provided prosperity for the players. And the proposal that the Players Association has on the table basically is kind of a "have your cake and eat it, too" proposal. They want to have all the revenues that come out of these facilities and that come out of our growing media rights, but they do not in any way, shape or form recognize the cost to the owners of building those stadiums and investing in all of the things that it takes to generate the revenues. So it's just an untenable economic proposition from the owners' standpoint.

**Q: Have you come to terms on what the revenue pool should be and now it's a matter of determining a percentage?**

PT: Until you have an agreement, you haven't agreed to anything. We've got sort of tentative understandings that the revenue pool that would go into the salary cap would be certainly much broader than the old DGR concept, but the key thing is that they don't recognize either in the definition of the revenue pool or in their economic proposal the cost structure that goes into generating the revenue.

**Q: Is there a fundamental difference in opinion among the owners on revenue sharing?**

PT: Nothing could be further away than that (assessment). The revenue sharing issue has never been an impediment in the past to getting an agreement with the Players Association. We've had this agreement in place now with a salary cap and free agency

for 13 seasons. I think '06 is the thirteenth season. The revenue sharing issue has never been an impediment, and it's not an impediment now to an agreement with the Players Association. The difference between now and the past is the fundamental change in the way they are defining their expectations as to the percentages that should go to the players and the unwillingness in this proposal, or inability, to recognize the very real costs that are associated with doing all the things the league has done to build new stadiums, generate revenues, invest in a whole range of enterprises that produces the revenue.

**Q: What concerns you most about the current situation?**

PT: We don't have an agreement and there is a deadline at midnight tonight.

**Q: What is the next step from here?**

PT: We're going to go back and talk about next steps, but I think at this point, it's not about making phone calls. It's about the Players Association fundamentally changing the character of their proposal and the character of their demands.

**Q: How dire a situation is it?**

PT: It's about as dire as dire can be. We feel that one of the very positive things about the National Football League since the early '90s has been our Collective Bargaining Agreement, one that works for both sides. We've put a proposal on the table that would extend that through 2011. We recognize that the last year of the current agreement is certainly not ideal in terms of operational realities. Without an extension, it's certainly not a good situation for anybody.

**Q: What kind of new rules for free agency will be in place during the uncapped year in 2007?**

PT: We don't have any new rules. I think I've basically covered everything that is important today. There has to be a fundamental change in their proposal for anything further of a constructive nature to begin to take place.

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