NATIONAL FOOTBALL LEAGUE

COMMISSIONER PAUL TAGLIABUE CONFERENCE CALL ON HIS RETIREMENT ANNOUNCEMENT

THE MODERATOR: Thanks for joining us on relatively short notice. Commissioner Tagliabue will have some opening comments and then we'll go to your questions.

COMMISSIONER PAUL TAGLIABUE: Good afternoon, everybody. As you all know, we put out a statement this morning about my decision to step down and I just have a couple of comments and then I'll take your questions.

First of all, I really want to emphasize how much of a privilege it is to spend most of your adult life associated with the *National Football League*. And that's my way of saying that this is not an easy decision for me because 37 of my 65 years have been involved with the *National Football League* and it is a great institution with great people across the board and most of all, tremendous fans. So as difficult as the decision is, I also know that it's the right decision and I have no doubt about that. And when I say "right," I mean right for the league, which takes me to sort of the second point.

What I've been trying to do here in my own mind and with discussions over the past two years is to pick a time to make this transition when we would all be in a position to have all of the critical elements of the league in place, and be able to do two things. No. 1 would be to move forward and continue to serve the fans, continue to have the momentum we have on all fronts and do all the things we're trying to do both domestically and internationally; and at the same time, manage the search for my successor with the owners. And I came to the conclusion in the last tens day that this was the opportune time to undertake those twin responsibilities; No. 1, moving forward everything we're doing; and No. 2, being involved with the search process.

I guess the final thing I would say is that in the last 10 days that I've been thinking about this, it became clearer and clearer to me that in this context, as in some other contexts, uncertainty is the enemy of growth and the enemy of successful operations. Put it the other way around: Uncertainty and speculation runs the risk of paralysis in a good organization and in an

organization which is national and international such as our league. That became a real critical factor in my mind and the decision to make this announcement before the League Meeting in the midst of our off-season planning process was designed to eliminate uncertainty, to provide certainty and to enable a lot of things go forward very successfully in 2006 and beyond.

I'd be glad to take your questions.

Q. What do you think is your legacy to the league over your tenure?

COMMISSIONER PAUL TAGLIABUE: I don't know about legacy, but I think over the years we've accomplished a lot of things. Certainly the expansion of the league to 32 teams; the growth and the popularity of the sport and as part of that the equality of the game growing out of collective bargaining and other things; the fact that we didn't have any season interrupted by strikes or lockouts, all of those things I think are very, very important.

Q. Could you shed some light on how that might unfold in the next couple of weeks?

COMMISSIONER PAUL TAGLIABUE: How what might unfold?

Q. The search for your eventual replacement.

COMMISSIONER PAUL TAGLIABUE: Well, it's a little too early to be very specific about that. But we're going to start on Monday next week at the annual meeting in a conversation with each of the owners of the 32 teams to make sure that that they all participate fully in structuring the process that will lead to the search for my successor.

We'll have more that we can talk to you about next week at the League Meeting after we have that session next Monday with all of the owners.

Q. Were there any surprises or disappointments along the way with the television deals that you struck?

COMMISSIONER PAUL TAGLIABUE: Any surprises or disappointments on the television deals, I don't think so. I think that the biggest objective we had was to keep the product massed on broadcast television, and certainly there were no surprises in terms of the renewal of CBS and FOX. I guess if there was any surprise as all, it

might be that we ended up with the primetime broadcast package moving from ABC to NBC.

But beyond that, I don't think there were any -- if anything qualifies as a semi-surprise, I guess that would be it.

Q. And going back further, was the proposed rollback in '93 or '94, was that something that you look back at with any regret? I believe you were in favor of a rollback.

COMMISSIONER PAUL TAGLIABUE: I still think it would have been the right thing to do, but we could talk about that for another day. I think that it really would have been the right thing to do, and it would not have had -- if anything, it would have had a positive long-term effect, and like I say, that's for another day.

Q. You talked about some things that you had done, but what is the one thing that you're kind of most proud of in your tenure, and did you think it would go like it did back when you got the job 16-plus years ago?

COMMISSIONER PAUL TAGLIABUE: I guess I'd have to say that turning around the relationship and building a strong relationship with the *NFL Players Association* would be the thing that I'm most proud of. I think everyone involved in the NFL saw that as a growing negative, and to be able to come in '89 and make that a priority; and then to turn that relationship around and make the players into partners through the Collective Bargaining Agreement and to have the kinds of agreements, CBAs, in place that we have had, now we will be approaching two decades, and I think that's a very positive thing.

Q. I'm specifically interested in how active you will continue to be in New Orleans and the efforts that you've started down here, but I guess for everyone's benefit, can you talk about what your role will continue to be as you move on in the next year or two?

COMMISSIONER PAUL TAGLIABUE: I don't know about the next year or two. Certainly I intend to continue to be very involved with the Saints and with the Saints' role in the rebuilding and recovery of the Gulf Coast region and the business council in New Orleans. I'm going to be down on April 6 speaking to a number of different groups in New Orleans and perhaps elsewhere in the region.

I spoke to *Mr. Benson* this morning and assured him that of all the priorities I had both personally and professionally, that the success of

the Saints in that context was at the top of the list and I would continue to work very closely with him and the people down there.

Q. With all the new stadiums in place in your tenure, how does that rank in your portfolio, and are there any disappointments with the struggle to get new stadiums in California, with the 49ers, Raiders, Chargers and the L.A. market?

COMMISSIONER PAUL TAGLIABUE: I think the new stadium theme is very important. It's been a big part of the continued popularity and the growth and popularity of our game and our league.

I remember speaking to the search committee back in the fall of 1989 and saying that the league has to have a much more robust and proactive role in helping teams build stadiums. And then as soon as I became commissioner, I went to Boston and went to Chicago and had public meetings with business and civic leaders, emphasizing that the league would have a role in helping communities partner with NFL teams building stadiums. So that's a very important piece of what we've done, and in the late 90s, we put in our stadium subsidy program to help to participate in the financing of new stadiums.

I guess I would say that any city where we're still struggling with the issue, that's an ongoing priority. It's pleasing to get new stadiums built. It's disappointing when your efforts are not successful. But it's just a measure of an important continuing priority, not just in California, but here in New York with a stadium for the *Jets* and *Giants* over in New Jersey and over in the midwest in Minnesota and other places where we're still working on it. Those are important priorities.

Q. Now that you've cleared the CBA and revenue sharing hurdle, does the Los Angeles initiative move up on the list of priorities? And I'm also interested in if you feel that this change might affect the process, whether it will accelerate it or slow the process of getting a team back in Los Angeles.

COMMISSIONER PAUL TAGLIABUE: I don't think that my personal situation will have any impact one way or the other. I know from an owners' standpoint that we have had discussions within the past week that moving forward on Los Angeles is a key priority. We are going to be addressing it at the meeting next week. I'm going to be spending time in California in April and probably again in May. We're also expecting to make some decisions in the meetings.

I think the main point you made was embedded in your question. With television behind us and the CBA behind us, getting a team or teams back into the Los Angeles area rises right to the top of the list, not only because we have the time to commit to it, but because the foundation, the economic foundations that enable us to look at that type of a challenge and to address it are in place with TV in place and labor in place.

Q. I was wondering for your successor, if you could give us a rough draft on what the challenges might be ahead for him, both, say, in the next couple of years, and as you look at the NFL, ten years down the road.

COMMISSIONER PAUL TAGLIABUE: I just spoke to my senior staff about an hour ago and I think that I see it as one of opportunity. I told the staff that we have a lot of things in place, a lot of initiatives underway. We are looking hard at all of the digital media service opportunities. We're looking at the Internet. We're looking at international regular season games. Still more stadium construction; that will be an ongoing priority. Making certain that the new collective bargaining agreement works as it should; there's some new elements in there in terms of how the cap is structured. So I think there are tremendous opportunities.

I've been saying for some years that the face of professional sports will probably change as much in the next ten or 15 years as it's changed in the last 30 to 50 years, and I think a lot of that change is going to be driven by the digital media, the globalization of media, the internationalization of sports and the demographic changes in the United States. I think it's a very exciting time. I wish I was 40 instead of 65.

Q. And also, do you have a successor in mind that you're going to recommend? Your right-hand man has been mentioned as a top candidate.

COMMISSIONER PAUL TAGLIABUE: The way we'll approach it is to have a very comprehensive search that will identify both internal candidates, candidates internal to the league, whether it's our own offices or a team, as well as outside candidates in other businesses or other organizations, and to work with the owners to bring the list of multiple, strong candidates to them to evaluate and then start the winnowing out process.

One of my goals as commissioner going back to the early 90s was to expand and build our organization to bring really talented executives in.

Two of the first decisions I made were to create the position of NFL president, bringing *Neil Austrian* in from another business area into that division. I created the division of an executive chairman of the NFL Management Council, brought Harold Henderson in from Amtrak for that position; that was in the early 90s.

And then over the years, we've made it a priority; "we" being me and the owners to have really top executive talent in our organization. And certainly a number of those people get strong consideration as my successor; I'm sure, as well as outsiders.

Q. I'm curious, on your watch there has been great emphasis on making sure that minority candidates get a good look for coaching positions and front office positions with the clubs. Will you see to it in some way that this also happens in the search for your successor?

COMMISSIONER PAUL TAGLIABUE: Yes, Dan Rooney and I have already talked about that, and that will be one of the key things as we go forward with this search.

Q. Can you say in what kind of way that would take place?

COMMISSIONER PAUL TAGLIABUE: As I say, Dan and I have already started talking about it. I have had, going back for some months, I've spoken to *Jeff Pash*, our general counsel, about that. As you know Jeff has been managing the Diversity Committee with Dan, and it's certainly uppermost in our minds what we need to do with this search, what the Diversity Committee has been urging the clubs to do with coaches and front office executives. The specifics are yet to be determined as to how we'll make sure that goal is accomplished.

Q. I wanted to ask you about the timing of this, if the CBA deal had not gone through and you were still in a labor situation, would you have postponed this decision? And No. 2, you remember obviously how your search dragged on longer than what people have expected, and while you've said July, if there was no successor in place by July, would you stay on longer?

COMMISSIONER PAUL TAGLIABUE: On the second question, the answer is yes. July is sort of a target that we set for ourselves when we created this package in my employment contract. But the understanding has always been that if --

that I would stay on until a successor was ready to be in place.

On the first question it's a little bit speculative obviously because we got the CBA extension done, but my guess would be that my decision would have been the same after having created these two paths in my contract. One is a path that would carry me through to 2008 as the commissioner, and the second was this path that gives me the alternative to step down here in the spring of '06 and continue in some other role until 2008 my guess is then I would have chosen that latter path either way in terms of the CBA.

Q. So do you think the owners kind of understood that, and maybe there was more pressure on them to get it done while you were still in command, as opposed to a new person in charge?

COMMISSIONER PAUL TAGLIABUE: No, I don't think it was a factor at all. It was never discussed and it was never brought up. The owners on my contract committee and I kind of had a task of understanding that whatever I was going to do on my contract, whatever they were going to do on my contract as we move forward this spring, that would be deferred until after the CBA negotiations were done. Either way it would not become a factor in the negotiations.

Q. There were a lot of successes you have had over the years, but if you had to have one do-over, what would that be?

COMMISSIONER PAUL TAGLIABUE: I would have been able to dribble with my left better than I could.

I don't know, I think I've said before that if we had the benefit of hindsight, we would have made certain that either the Rams or the Raiders stayed in L.A. in the mid-90s. I thought that we were taking all of the steps that we needed to take when we passed that resolution in providing for the stadium in Hollywood Park, and it turned out not to be operative. I guess if you could go back and relive a month, that might be the month where you might do something differently.

Q. There's a rumor that Condoleezza Rice is interested in being Commissioner for the NFL. Can you dispel or confirm that rumor?

COMMISSIONER PAUL TAGLIABUE: Well, I think she's the one who said publicly she would be interested in the job. I don't know whether that's facetious on her part or not. She was at the Super Bowl this year with us, and she

made it very clear she wants the job she has. I think if you really want to have a definitive answer to the question, go to her next press conference.

Q. Is there any sense of urgency with you leaving in July or perhaps a little bit later for your successor to try to get things in L.A. wrapped up before then and before there's change where your successor might do something differently? And also, in all of the years that Los Angeles has been without a team, I was wondering how much credit or blame you might feel for that?

COMMISSIONER PAUL TAGLIABUE: I think it's the same answer I gave a few minutes ago. Those issues are not personal to me. I think they are institutional and I don't think the urgency on the part of the league to get back there with a successful team or teams is going to be changed by my own personal situation. I think that whatever was the prevailing point of view on L.A. last Friday, it's going to be the same point of view next Friday and the Friday after, but it is a major priority and we'll continue to act on that basis.

Q. You touched on this a little while ago with the regret you had about allowing the Rams or the Raiders to leave, but did you anticipate -- when you look back did you think it would be possible a team would be out of market the size of L.A. for this long?

COMMISSIONER PAUL TAGLIABUE: As I said, when we adopted that resolution in Hollywood Park we thought that would be adequate to secure that a team would be remaining, but that turned out not to be the case and we've got to figure out how to get it done now.

Q. How great an effort was there made by people in the league to talk you out of this in the last day or days, and if there was a great effort, did you give any serious consideration to reconsider?

COMMISSIONER PAUL TAGLIABUE: There was no effort made because nobody, other than *Dan Rooney*, knew what my thinking was likely to be. We had extensive discussions about two years ago when I extended my contract, and at that time, I started those discussions with the idea that I would wrap things up a year ago in May of 2005. And at that time, a number of owners spoke to me and urged me to extend at least through the spring of '06. And those owners who spoke to me rather emphatically included *Dan Rooney*, *Jerry Richardson*, *Pat Bowlen*, *Bob Kraft*, probably

some others.

But once we restructured my contract, they and others I think understood that we had two different paths, as I mentioned earlier, one through the spring of '06, and another through the spring of '08; and that if I decided to step down as commissioner now, I'd make myself available for another two years in other roles as the owners might see fit.

We didn't have any discussions in the last ten days with owners. I did call *Dan Rooney* in the middle of last week and say that the question I was considering was whether I should announce this decision now, or wait until some time between the end of our March meeting and the beginning of our May league meeting; in other words, put this decision off until sometime in late April or early May.

It seemed to me that eliminating the uncertainty now, letting all of the owners know at the same time what my decision was, and going forward on that basis was the right course of action, and *Dan Rooney* said that basically it was my call and he would accept whatever judgment I made.

Then I spoke to him this morning and said that it seemed to me, like I said earlier, the biggest enemy here is uncertainty and speculation. The biggest positive is candor, certainty and continuity and the best way we could achieve the latter was to make this announcement now as we go into our league meeting rather than after the league meeting.

Q. As you envision the evolving league economics, what do you think the most tangible aspect of the new revenue sharing model will be in terms of how fans might see an impact on the game and the product?

COMMISSIONER PAUL TAGLIABUE: I think the revenue sharing model is much more specific than we had in the past in terms of the level of spending that clubs need to plan for as a percentage of their own revenue. I think that's a real positive. I think it gives teams predictability as to their competitiveness in signing players. I think the salary structure will create predictability in the outer limit of player costs. I think that's one important aspect of the new structure.

The second important aspect is the funding of revenue sharing through digital media and the Internet, which provides, pretty well assured, that the funding of revenue sharing will be there and it also avoids or minimizes the potential that those revenue streams would become an

additional source of any revenue disparity that could be unsettling.

Q. When you talk about where digital media is going, do you envision a situation where fans could get every NFL game on the Internet? Is that where this is headed, and how does that conflict with what you are doing with your television contract?

COMMISSIONER PAUL TAGLIABUE: I don't have the answer to that. No one has the answer to that. I don't think it has as much to do with live games as it has to do with other services. I think that certainly through 2011, the live games are going to be focused where they are, on live television, cable and satellite.

I think the digital media in the short term has to do with highlights, has to do with mobile services, has to do with wireless services, has to do with video on demand. But beyond 2011, I think it's pretty speculative as to what happens to live games. But I don't see that the Internet is going to become the all-purpose source for all sports television.

Q. What are you going to miss most about the job?

COMMISSIONER PAUL TAGLIABUE: Just the excitement of being involved in something that is as much of a major piece of millions of people's lives as the NFL. It's a little bit like the agony of defeat and the triumph of winning. When you do things well, you enjoy the upside. When you stumble, you agonize over the stumbles, but you're an active part and you're involved in shaping what's very exciting for millions and millions of people, which is following NFL football, following the championship race right up to and including the Super Bowl. And also the impact that has on bringing communities together, setting examples for kids and just everything the NFL stands for. It's fun.

Q. A reference was made earlier about staying on past July if need be, do you anticipate as tough a time finding your successor as the owners had finding -- eventually picking you? And was there one moment that you knew this was the right decision; that you made up your mind what you were doing?

COMMISSIONER PAUL TAGLIABUE: I didn't know what to anticipate because we don't have a discussion with the owners until next Monday, so it's really hard to say. But kind of the

assumption is that we can work through this in the next four months, and I'll be ready to move on by the end of July. If that turns out not to be the case, that will take us beyond that into the beginning of the regular season.

On the second question, there was no moment. But like I said before, going back to the winter and spring of 2004, I was of the view that as I approached age 65 and 15 or more years of service, that that would be a good run and I would be healthy enough to do some other things in my life. And so I think that this path was kind of charted in the winter and spring of; 04, and then with the success we've had since then, it just seemed like that was it; that it was clearer and clearer that this was a good, opportune time from a league standpoint, as well as my own personal standpoint, to make this transition.

If there was ever a moment in time, I think you'd have to put it back to the winter and spring of '04 when we structured this two-phase contract.

THE MODERATOR: Thank you very much.