**Maintaining the Sports Industry as an Economic Engine in the Twenty-First Century**

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In his most recent book, “Circling the Bases: Essays on the Challenges and Prospects of the Sports Industry,” nationally-known economics professor, Andrew Zimbalist presents readers with projections concerning the financial challenges facing the sports industry. Zimbalist goes into depth regarding economic issues facing the “Big-4” (NFL, MLB, NBA, and NHL) as well as “amateur” athletic associations (NCAA and the Olympics). Further, Zimbalist touches on some of the financial concerns surrounding the public subsidization of athletic facilities and stadia, Title IX, and performance enhancing drugs in relation to federal, global and public policy.

Using the NFL as an example, Zimbalist delves into professional sports, pointing out peculiarities that keep the [collective] NFL engine running like a finely-tuned machine. Consider, for example, some of the ways in which the NFL, as a business, differs from a non-sport business: league revenue sharing (since 2006 the league has added an additional $100 million a year in transfers to the “low-revenue” teams , over and above the $30 million/year which has been in place since the late 1990’s); every NFL team receives approximately $125 million from the league’s media, licensing, sponsorship deals; the NFL’s hard salary cap requires that each team’s payroll not exceed 59.5% of average team revenues; and, a reverse-order draft (granting the teams with the worst win-loss record the early draft picks). In this case, Zimbalist notes that the financial sustainability of the “Big-4” requires the implementation of “socialistic” policies in order to reap “capitalistic” benefits [i.e., maximize profit].

Changing gears to the world of “amateur” sport, Zimbalist offers keen insight into problems currently facing the NCAA. Most recently, the NCAA has sustained a major ‘hit’ from two former college athletes (UCLA basketball star Ed O’Bannon and former football quarterback Sam Keller) who have joined forces forming the class action lawsuit. In *O’Bannon*, the plaintiff has alleged antitrust violations in relation to ownership rights of former athletes’ likenesses and images. In *Keller,* Sam Keller filed suit against EA Sports (Electronic Arts, Inc.), the NCAA and CLC (Collegiate Licensing Company)) alleging violations of the right of publicity. The NCAA claims that, in exchange for eligibility to participate in intercollegiate athletics, players sign forms releasing their publicity rights (including for commercial purposes) to the NCAA and third parties. The crux of this class action lawsuit may very well hinge on whether or not the court is *still* willing to buy into the NCAA’s antiquated notion of “amateurism” in the midst of the big money, commercialized business known as “big-time” college sport.

Similar to that of the “corporate university” model of higher education (*see* Jennifer Washburn (2005) book “University Inc.: The Corporate Corruption of Higher Education”), the sports industry has become more closely linked to the corporate sector and as a direct result, more vulnerable to the economics of the national and global economy. Ultimately, Zimbalist suggests that sport industry professionals need to possess a heightened awareness of the economic fragility inherent in the coming decade in order to anticipate changes which might also affect the financial health of the sports industry.

This is the opinion of Kadie Otto, Ph. D., Associate Professor of sport management in the College of Business at Western Carolina University. Her research interests include the commercialization of, and unethical conduct in, college athletics as well as the degradation of sport as “social institution” to sport as “commercial enterprise”. For previously reviewed books, visit us at our website at www.wcu.edu/cob/.

Title: “Circling the Bases: Essays on the Challenges and Prospects of the Sports Industry”

Author: Andrew Zimbalist

Publisher: Temple University

Length: 222

Price: $24.95

Reading time: 7-8 hours

Reading rating: 5 (1=very difficult; 10-very easy)

Overall rating: 4 (1-average; 4-outstanding)