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## Let's Make Some Money

► The NFL Players Association rolls out a new playbook for rookies: How to maximize their incomes

► “I want everyone in this room to get more out of this business than this business gets out of them”

Forty-one first-year players in the **National Football League** are on their feet in a ballroom at the JW Marriott Los Angeles hotel. Former NFL linebacker Don Davis, now player advocate for the NFL Players Association (NFLPA), is at the front of the room to deliver a locker room-style pep talk before a long day ahead.

“So we are a what?” Davis asks.

“Family,” the players reply on cue.

“And we are here on what?”

“Business.”

“And the one thing that businesses do?”

“Make money,” the rookies chant.

Although the regular season doesn't begin until September, NFL teams have already begun putting players through their paces on the field. But these players—the most celebrated of their draft class, including the two quarterbacks selected first and second, Jameis

Winston of the Tampa Bay Buccaneers and Marcus Mariota of the Tennessee Titans—have been excused for a training camp of a far different kind: a four-day introduction to the business of football.

The NFLPA Rookie Premiere began as a photo shoot in 1993. **Upper Deck**, the trading card maker, wanted images of newly drafted players, in uniform and on a field, to use on cards before the season began. With the union's help, they gathered about a dozen players in Los Angeles. The following year the union established a for-profit subsidiary, **NFL Players Inc.** (NFLPI), to sell group marketing rights for players. The union and its new sales wing decided to turn the preseason photo op into an event to showcase its newest players and to teach them about moneymaking opportunities off the field. The first official Rookie Premiere came a year later, in 1995.

The NFL and its owners control the

rights to team names, logos, and uniforms. But any company that wants to use the names, likenesses, numbers, or signatures of six or more NFL players in its product or ads has to go through NFLPI. A player's agent can line up individual deals with any brand, but once that brand signs more than five players, it needs group rights as well. Leaguewide sponsors such as **FedEx** and **PepsiCo** get group rights to both players and teams through an agreement between the NFL and the union. Licensees, such as **Electronic Arts**, maker of the popular Madden NFL video game, buy player and league rights separately.

NFLPI logged \$145 million in revenue last year from about 30 sponsors and 80 licensees, says President Ahmad Nassar. The total is up almost 50 percent from six years ago, when Nassar arrived. That's still puny next to the league's \$12 billion in annual revenue, mostly ►

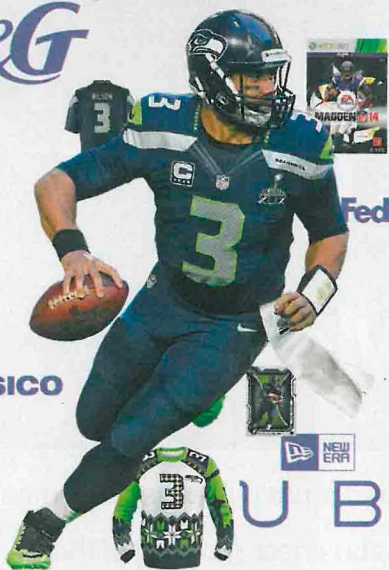
Money Ball

NFL Players Inc. took in **\$145 million** last year from sponsors and licensees. It pays **\$13,000** apiece to 2,000 active players. An additional **\$60 million** gets distributed based on sales linked to individual players.

Quarterback Russell Wilson's 2014 salary from the Seattle Seahawks was

**\$817k**

P&G



NFLPI paid him

**\$1.5m**

◀ from sales of TV rights. NFLPI aims to grow by pitching itself to marketers as a one-stop shop for reaching players eager to work with brands. "I want everyone in this room to get more out of this business than this business gets out of them," DeMaurice Smith, NFLPA's executive director, tells this year's Rookie Premiere class in L.A.

One of the event's first sessions brings home the fragility of the class's personal brands: Players get to react to simulated letters informing them that they've been suspended for failing NFL drug tests or that their "girlfriend Boo-Boo" filed a domestic violence charge. When it comes to sponsorship opportunities,

The Ravens' Buck Allen poses for a promotional shot



says George Hegamin, another ex-player working for the union, "a lot of this is what you do, and what you don't do, off the field."

Trading card makers **Topps** and **Panini America** still play a major role at Rookie Premiere. They help select the invitees, with a focus on players "who are going to be collectible," says Jason Howarth, vice president for marketing at Panini America. That means mostly quarterbacks, running backs, and wide receivers. As Howarth speaks, Winston, Mariota, and Karlos Williams, a running back for the Buffalo Bills, sit in a conference room signing stacks of trading cards and sheets of plastic film. *Errrybody* by Yo Gotti blares from speakers to help keep their energy up.

On the third day of the event, the players head to the Los Angeles Memorial Coliseum, put on helmets, pads, and jerseys, and strike poses for the cameras. These pictures will be on cards for the next few months. "We will have released seven or eight products before they even step on a field for real on a Sunday," says Howarth.

The trading card signing sessions are just two of the 15 "content capture" activities for the rookies over two days. The rotations are part grind, part gravy train. In one room, players put on bright green, orange, and purple T-shirts and pose for a FedEx digital marketing campaign. Two doors down at game maker EA, each sits in front of a 12-camera rig that captures their faces for rendering in Madden NFL. **Fanatics**, the company that runs the league's official online apparel shop, takes pictures of them in team hoodies and T-shirts and then videotapes brief interviews about their superstitions and favorite foods. **Samsung** gives each a free Galaxy S6 smartphone; clothier **Elevée** fits them for free suits. The companies pay an undisclosed fee to set up shop at the hotel, and NFLPI pays each player to hit all the stops.

In the fall, the union will send each of its 2,000 active members a check for about \$13,000, their equal share of the year's NFLPI bounty. An additional \$60 million gets paid out over the course of the year to individual players based on the sales of jerseys and other items linked to them. Last year, Nassar tells the rookies, Russell Wilson made almost \$1.5 million from NFLPI,

roughly double the \$817,302 the quarterback earned in salary from the Seattle Seahawks. The union uses the rest of the NFLPI revenue, about \$60 million, for its operating budget.

NFLPI says video games, mostly EA's Madden franchise, account for \$35 million of its revenue. Trading cards and other collectibles bring in \$33 million. Apparel brands, led by **Nike**, add \$21.5 million. And \$55 million comes from sponsors. NFL players' names, faces, and numbers can be found on gummy candy, plush toys, mobile video games, plastic figurines, ugly holiday sweaters, and socks. *License!* Global magazine says NFLPI-licensed products generate \$1.34 billion in annual sales. That's 46th among licensors worldwide, between Sunkist Growers and Coca-Cola. (The NFL ranks 16th, with \$3.5 billion in sales.) Nassar says NFLPI is willing to cut deals with partners of any size. "All these big Fortune 500 companies knew to call us," he says. "Now we're talking about not even Fortune 2,000 or 20,000, we're talking about two dudes in a garage."

—Ira Boudway

**The bottom line** The Players Association's for-profit arm has seen its revenue jump almost 50 percent in six years.