



## NATIONAL BASKETBALL ASSOCIATION

{Appendix 2, to [Sports Facility Reports, Volume 13](#)}

*Research completed as of July 17, 2012*

### Team: Atlanta Hawks

**Principal Owner:** Atlanta Spirit, LLC

**Year Established:** 1949 as the Tri-City Blackhawks, moved to Milwaukee and shortened the name to become the Milwaukee Hawks in 1951, moved to St. Louis to become the St. Louis Hawks in 1955, moved to Atlanta to become the Atlanta Hawks in 1968.

[Team Website](#)

**Most Recent Purchase Price (\$/Mil):** \$250 (2004) included Atlanta Hawks, Atlanta Thrashers (NHL), and operating rights in Philips Arena.

**Current Value (\$/Mil):** \$270

**Percent Change From Last Year:** -8%

**Arena:** Philips Arena

**Date Built:** 1999

**Facility Cost (\$/Mil):** \$213.5

**Percentage of Arena Publicly Financed:** 91%

**Facility Financing:** The facility was financed through \$130.75 million in government-backed bonds to be paid back at \$12.5 million a year for 30 years. A 3% car rental tax was created to pay for \$62 million of the public infrastructure costs and Time Warner contributed \$20 million for the remaining infrastructure costs.

[Facility Website](#)

**UPDATE:** W/C Holdings put forth a bid on May 20, 2011 for \$500 million to purchase the Atlanta Hawks, the Atlanta Thrashers (NHL), and ownership rights to Philips Arena. However, the Atlanta Spirit elected to sell the Thrashers to True North Sports Entertainment on May 31, 2011 for \$170 million, including a \$60 million in relocation fee, \$20 million of which was kept by the Spirit. True North Sports Entertainment relocated the Thrashers to Winnipeg, Manitoba. As of July 2012, it does not appear that the move affected the Philips Arena naming rights deal,

which stipulates Philips Electronics may walk away from the 20-year deal if either the Thrashers or the Hawks leave.

In August 2011, reports showed that the Spirit reached an agreement with Los Angeles businessman Alex Meruelo. Meruelo was to pay in excess of \$300 million for a 75-80% stake in the Hawks and Philips Arena. Meruelo would also assume the debt accumulated by the Hawks. Those debts included approximately \$120 million that the Hawks borrowed in 2010 from the NBA's league-wide credit facility and the \$40 million-plus owed to Turner Broadcasting/Time Warner, which financed part of its 2004 sale to the Spirit. The Hawks are also responsible for debt payments (\$124 million) left on the bonds that paid for the construction of Philips Arena. The agreement was subject to the approval of the NBA's Board of Governors.

In November 2011, the agreement between Meruelo and the Spirit was mutually terminated after Meruelo could not meet the economic conditions placed on the deal by the league. The league required additional funding from Meruelo that was not contemplated in his original deal. The NBA's stance was similar to the one the league took when the Spirit bought the Hawks from Time Warner in 2004. At that time, the NBA approved the transaction only after several Spirit partners agreed to make personal financial guarantees of about \$90 million to ensure sufficient liquidity to fund the money-losing teams' operations going forward.

After the termination of the agreement with Meruelo, the Spirit has taken the Hawks off the market indefinitely.

**NAMING RIGHTS:** Royal Philips Electronics N.V. is paying \$185 million over 20 years, \$9.25 million annually, for the naming rights that expire in 2019.

## **Team: Boston Celtics**

**Principal Owner:** Boston Basketball Partners, LP; consisting of Wycliffe Grousbeck, H. Irving Grousbeck, Stephen Pagliuca, and The Abbey Group—represented by Robert Epstein.

**Year Established:** 1946

[Team Website](#)

**Most Recent Purchase Price (\$/Mil):** \$360 (2002)

**Current Value (\$/Mil):** \$482

**Percent Change From Last Year:** +7%

**Arena:** TD Garden

**Date Built:** 1995

**Facility Cost (\$/Mil):** \$160

**Percentage of Arena Publicly Financed:** 0%

**Facility Financing:** Primarily from bank financing, Delaware North (25%), City bonds and land (10%) and a 2% ticket surcharge.

[Facility Website](#)

**NAMING RIGHTS:** TD Banknorth Inc. is paying \$119.1 million over 20 years, \$5.95 million annually, for the naming rights that expire in 2025.

## **Team: Brooklyn Nets**

**Principal Owner:** Mikhail Prokhorov

**Year Established:** 1967 as the New Jersey Americans in the ABA, changed the name and moved to New York to become the New York Nets in 1968, joined the NBA in 1976, moved back to New Jersey to become the New Jersey Nets in 1977, moved to Brooklyn to become the Brooklyn Nets in 2012.

[Team Website](#)

**Most Recent Purchase Price (\$/Mil):** \$260 (2010)

**Current Value (\$/Mil):** \$357

**Percent Change From Last Year:** +14%

**Arena:** Barclays Center

**Date Built:** 2012

**Facility Cost (\$):** \$1 billion

**Percentage of Arena Publicly Financed:** N/A

**Facility Financing:** Much of the funding comes from the \$511 million bond sale in December 2009. Mikhail Prokhorov's Onexim Group is providing several hundred million more while the state and city is funding infrastructure improvements at the site.

[Facility Website](#)

**UPDATE:** In April 2012, the NBA said its Board of Governors unanimously voted to allow the Nets to relocate into the Barclays Center in Brooklyn, N.Y. The team will be known as the Brooklyn Nets beginning in the 2012-13 season. The Brooklyn Nets will be the first professional sports franchise located in Brooklyn since the Dodgers (MLB) moved to Los Angeles in 1957.

The team's new colors will be black-and-white, and there will be two new official logos, which were designed by part-owner Jay-Z. The primary logo is a shield depicting the team name "Nets," along with a basketball with an overlaid "B." The secondary logo is the same "B-ball" encircled by a black ring labeled "Brooklyn" and "New York". The new logo's typeface and colors are meant to evoke New York City Subway roll signs from the 1950s when Brooklyn last had a major league sports team.

The Barclays Center is set to open doors on September 28, 2012, with a performance by Jay-Z. The cost of construction is estimated at \$1 billion, with much of the funding coming from the \$511 million bond sale in December 2009. Mikhail Prokhorov's Onexim Group is providing several hundred million more while the state and city are funding infrastructure improvements at the site.

Barclays will be paying \$200 million over 20 years for the naming rights of the Barclay Center, which is the most paid for any arena in the NBA.

The new arena will offer: street-level entrances; a tighter, steeper seating bowl; "Vault Suites" designed by Jay-Z that will be floor level; 100 luxury suites; four bars/lounges including a "champagne bar;" three clubs; a restaurant; and other food options from local restaurants.

The glassed-in "grand entrance" at the intersection of Flatbush and Atlantic Avenues will invite pedestrians to look inside all the way to the scoreboard. There is a practice floor where ticketed fans and restaurant customers can watch players.

Additionally in April 2012, the New York Daily News announced the Golden Gloves, the nation's largest amateur boxing tournament that has called Madison Square Garden home for decades, is moving next year. The two-day finals will take place at the Barclays Center in Brooklyn, N.Y., beginning in April 2013.

In June 2012, enhanced subway and rail service after games at the new Barclays Center was announced as part of a plan to mitigate expected gridlock of traffic. Costs have not yet been disclosed.

**NAMING RIGHTS:** Barclays PLC. is paying \$200 million over 20 years, \$10 million annually, for naming rights that expire in 2032, which is the most paid for any arena in the NBA.

## **Team: Charlotte Bobcats**

**Principal Owner:** Michael Jordan

**Year Established:** 2004

[Team Website](#)

**Most Recent Purchase Price (\$/Mil):** \$275 (2010)

**Current Value (\$/Mil):** \$277

**Percent Change From Last Year:** -1%

**Arena:** Time Warner Cable Arena

**Date Built:** 2005

**Facility Cost (\$/Mil):** \$265

**Percentage of Arena Publicly Financed:** 100%

**Facility Financing:** The facility was paid for with two bond issues, backed by revenue from city tourist taxes. Bank of America, Duke Energy and Wachovia are underwriting \$100 million in exchange for approximately \$50 million from the sale of real estate downtown, where the venue is located. \$16.8 million is coming from exclusive food and beverage rights, and there is a 3% seat tax at events in city arenas generating \$15 million.

[Facility Website](#)

**UPDATE:** In April 2012, reports said that Michael Jordan, the principal owner, intended to sell the Charlotte Bobcats if the team did not start to have some on-court success and become a profitable venture within the next three to four years. However, Jordan denied those reports,

and repounded by stating, “I am 100 percent committed to building the Bobcats into a contender and have no plans to sell the team.”

**NAMING RIGHTS:** Time Warner Cable and the Bobcats have not released terms and years involved in the naming rights deal.

## **Team: Chicago Bulls**

**Principal Owner:** Jerry Reinsdorf and Rocky Wirtz

**Year Established:** 1966

[Team Website](#)

**Most Recent Purchase Price (\$/Mil):** \$16 (1985)

**Current Value (\$/Mil):** \$600

**Percent Change From Last Year:** +17%

**Arena:** United Center

**Date Built:** 1994

**Facility Cost (\$/Mil):** \$175

**Percentage of Arena Publicly Financed:** 7%

**Facility Financing:** A joint venture between the Chicago Bulls (NBA) and the Chicago Blackhawks (NHL) paid for the facility. The city contributed some of the infrastructure costs.

[Facility Website](#)

**NAMING RIGHTS:** United Airlines is paying \$36 million over 20 years, \$1.8 million annually for the naming rights that expire in 2014.

## **Team: Cleveland Cavaliers**

**Principal Owner:** Dan Gilbert and David Katzman

**Year Established:** 1970

[Team Website](#)

**Most Recent Purchase Price (\$/Mil):** \$375 (2005)

**Current Value (\$/Mil):** \$329

**Percent Change From Last Year:** -7%

**Arena:** The Quicken Loans Arena

**Date Built:** 1994

**Facility Cost (\$/Mil):** \$152

**Percentage of Arena Publicly Financed:** 48%

**Facility Financing:** The arena was built as part of a city sports complex that was funded both publicly and privately. Public funding came from state capital improvement funds and countywide sin taxes on alcohol (\$3/gallon on liquor, \$0.16/gallon on beer) and cigarettes (\$0.045/pack) for 15 years.

[Facility Website](#)

**NAMING RIGHTS:** Naming rights for the Quicken Loans Arena were included in the \$375 million purchase deal from Gordon Gund in 2005.

**Team: Dallas Mavericks**

**Principal Owner:** Mark Cuban

**Year Established:** 1980

[Team Website](#)

**Most Recent Purchase Price (\$/Mil):** \$280 for 54% of team and 50% of American Airlines Center (2000). In January of 2002, Belo Corp. sold its 12.38% share to Cuban for \$27 million.

**Current Value (\$/Mil):** \$497

**Percent Change From Last Year:** +13%

**Arena:** American Airlines Center

**Date Built:** 2001

**Facility Cost (\$/Mil):** \$420

**Percentage of Arena Publicly Financed:** 30%

**Facility Financing:** The city capped its spending at \$125 million. The Mavericks owner, Mark Cuban, and then Dallas Stars (NHL) owner, Tom Hicks, covered the remaining amount. Team owners spent \$295 million in private investment dollars. The funds to repay the public portion of the financing are coming from a 5% car rental tax, 2% hotel tax and a \$3.4 million per-year lease agreement with the teams for 30 years.

[Facility Website](#)

**UPDATE:** American Airlines had naming right to both host teams (Dallas Mavericks and Miami Heat) of the 2011 NBA Finals. As a result, American Airlines received the equivalent of about \$64 millions in purchased ad time during the NBA Finals.

In January 2011, Audi launched its partnership with the Mavericks, Stars and American Airlines Center. The Audi Club features a unique blend of seating, dining, entertainment and meeting space in the south end of the arena. In June 2012, Audi expanded its brand presence at American Airlines Center. Audi will soon add its four-ring emblem atop the most desirable parking at American Airlines Center as part of a program to give its customers an exclusive experience at the Dallas sports and entertainment venue.

**NAMING RIGHTS:** American Airlines is paying \$195 million over 30 years, \$6.5 million annually, for the naming rights that expire in 2030. In 2003, when American Airlines restructured to prevent filing for bankruptcy, the annual payments were restructured as well.

## Team: Denver Nuggets

**Principal Owner:** Stan Kroenke

**Year Established:** 1967 as the Denver Rockets in the ABA, changed the name to the Denver Nuggets in 1974, joined the NBA in 1976.

[Team Website](#)

**Most Recent Purchase Price (\$/Mil):** \$202 (2000) for the Denver Nuggets. The Nuggets purchase was part of a larger \$450 million deal that included the Pepsi Center and 93% of the Colorado Avalanche (NHL).

**Current Value (\$/Mil):** \$316

**Percent Change From Last Year:** 0%

**Arena:** Pepsi Center

**Date Built:** 1999

**Facility Cost (\$/Mil):** \$164.5

**Percentage of Arena Publicly Financed:** 3%

**Facility Financing:** Financed mostly through private loans. The team also received \$15 million from Liberty Media, \$4.5 million for infrastructure, \$2.25 million in construction sales tax rebates and \$2.1 million annually in property tax exemptions.

[Facility Website](#)

**NAMING RIGHTS:** Pepsi is paying \$68 million over 20 years, \$3.4 annually, for the naming rights that expire in 2019.

## Team: Detroit Pistons

**Principal Owner:** Tom Gores, Platinum Equity

**Year Established:** 1948 as the Fort Wayne (Zollner), moved to Detroit in 1957.

[Team Website](#)

**Most Recent Purchase Price (\$/Mil):** \$325 (2011) for Palace Sports and Entertainment, which includes the Detroit Pistons, the Palace of Auburn Hills, DTE Energy Music Theatre and the Meadow Brook Music Festival.

**Current Value (\$/Mil):** \$332

**Percent Change From Last Year:** -8%

**Arena:** The Palace of Auburn Hills



**Date Built:** 1988

**Facility Cost (\$/Mil):** \$70

**Percentage of Arena Publicly Financed:** 0%

**Facility Financing:** Privately financed by a bank loan and equity contribution by team ownership.

[Facility Website](#)

**UPDATE:** In 2011, Tom Gores and his investment firm, Platinum Equity, purchased Palace Sports and Entertainment. Platinum Equity owns 51% of Palace Sports and Entertainment. However, Gores is a majority owner of Platinum Equity, meaning indirectly Gores now holds the majority stake Palace Sports and Entertainment. Palace Sports and Entertainment includes the Detroit Pistons, the Palace of Auburn Hills, DTE Energy Music Theatre and the Meadow Brook Music Festival. Initially, reports claimed that Gores would pay \$420 million for Palace Sports and Entertainment. However, when settled, according to Forbes, Gores only paid \$325 million.

In July 2012, Palace Sports and Entertainment announced its plans to spend \$13-\$15 million to make arena improvements. The heavy remodeling includes a fresh new look for the main concourse, replacing the Caesars Windsor Club restaurant and bar with a roomier "Club West," and eliminating 16 of the 80 suites in the third-level to create a full-service "revolutionary" open-air lounge. Another 16 of those third-level suites may eventually be transformed into an "innovations lab," where companies such as Ticketmaster and other Internet providers can create interactive programs for fans.

The renovation also includes adding new technology to the arena, such as wireless internet access, concourse digital menu boards, digital social media boards and making the facility more aesthetically pleasing. The project is the biggest enhancement at the Palace since completion of the \$30 million Comcast Pavilion in 2006.

The majority of renovations are expected to be completed by the time the Pistons tip off for the 2012-13 season.

In October 2011, Sports Business Journal Daily reported that Gores wanted to sell the naming rights to the Palace of Auburn Hills after he hired Los Angeles-based sports marketing and talent management firm Wasserman Media Group. Sports Business Journal Daily estimated a deal could be worth \$2.5 million to \$3 million annually.

However, shortly after the Sports Business Journal Daily report was released, team spokesman Kevin Grigg responded by saying Wasserman Media Group was hired to explore several potential business partnerships, but naming rights for the Palace of Auburn Hills were not one of them.

As of July 2012, no plans have been made to sell the naming rights for the Palace of Auburn Hills.

**NAMING RIGHTS:** The Palace of Auburn Hills has no current naming rights agreement.



## **Team: Golden State Warriors**

**Principal Owner:** Joseph Lacob and Peter Guber

**Year Established:** 1946 as the Philadelphia Warriors, moved to San Francisco to become the San Francisco Warriors in 1962, moved to Oakland to become the Golden State Warriors in 1971.

[Team Website](#)

**Most Recent Purchase Price (\$/Mil):** \$450 (2010)

**Current Value (\$/Mil):** \$450

**Percent Change From Last Year:** +24%

**Arena:** Oracle Arena

**Date Built:** 1966

**Facility Cost (\$/Mil):** \$25.5 (\$121 million renovation in 1997)

**Percentage of Arena Publicly Financed:** 100%

**Facility Financing:** In 1997, the Arena was renovated. The city and the county issued \$140 million to pay for the renovations. 80% was refinanced by private loans guaranteed by the Warriors and the city and county paid the remaining 20% .

[Facility Website](#)

**UPDATE:** In May 2012, the Warriors, NBA commissioner David Stern and San Francisco Mayor Ed Lee officially announced the Warriors will try to move back to San Francisco. The earliest the team could leave Oakland would be 2017, when its lease with Oracle Arena runs out.

The Warriors plan to build a privately-funded arena, for an estimated \$500 million, at Piers 30-32. Under the proposed deal, the city will provide the site and the Warriors will repair the crumbling piers at a cost of \$75-100 million. There will be no new taxes and no money from the city's general fund.

**NAMING RIGHTS:** Oracle Corp. is paying \$30 million over 10 years, \$3 million annually, for the naming rights that expire in 2016.

## Team: Houston Rockets

**Principal Owner:** Leslie Alexander

**Year Established:** 1967 as the San Diego Rockets, moved to Houston to become the Houston Rockets in 1971.

[Team Website](#)

**Most Recent Purchase Price (\$/Mil):** \$85 (1993)

**Current Value (\$/Mil):** \$453

**Percent Change From Last Year:** +2%

**Arena:** Toyota Center

**Date Built:** 2003

**Facility Cost (\$/Mil):** \$235

**Percentage of Arena Publicly Financed:** 100%

**Facility Financing:** The city spent \$20 million on the land for the arena. The sports authority sold \$182 million in bonds to build the arena and secured \$125 million of that with money from hotel and car rental taxes. The garage project is paid for by a private business. The Rockets are responsible for cost overruns and have pledged to spend \$20 million on enhancements.

[Facility Website](#)

**NAMING RIGHTS:** Toyota Corporation (specifically Toyota Motor Sales USA Inc., Gulf States Toyota, and Houston Toyota Dealers Association) is paying \$95 million over 20 years, \$4.76 million annually, for naming rights that will expire in 2023. While the naming rights deal is for 20 years, it can be extended to 30 years to match the deal that the Rockets currently have to stay in the arena.

## Team: Indiana Pacers

**Principal Owner:** Melvin and Herbert Simon

**Year Established:** 1967 in the ABA, joined the NBA in 1976.

[Team Website](#)

**Most Recent Purchase Price (\$/Mil):** \$13 (1983)

**Current Value (\$/Mil):** \$269

**Percent Change From Last Year:** -4%

**Arena:** Bankers Life Fieldhouse (formerly Conseco Fieldhouse 1999-2011)

**Date Built:** 1999

**Facility Cost (\$/Mil):** \$183

**Percentage of Arena Publicly Financed:** 43%

**Facility Financing:** Financing for the facility is a public/private partnership. Public contributions totaled \$79 million, which included \$50 million from a professional sports developmental tax district around the new facility, \$4.7 million in infrastructure, \$9.3 million from Capital

Improvement Board cash reserves and \$7 million from the Circle Centre Mall revenues. The Pacers contributed \$57 million, while other private sources paid for the rest.

[Facility Website](#)

**UPDATE:** In December 2011, CNO Financial announced that Conseco Fieldhouse would be remaned Bankers Life Fieldhouse, after a subsidiary of CNO Financial. The fieldhouse was originally named for Carmel-based Conseco Inc., which is now known as CNO Financial Group. CNO Financial began phasing out use of the Conseco name after it went into a \$61 billion bankruptcy reorganization in 2002.

CNO Financial and Bankers Life will pay for all the new signs, which should cost less than \$1 million.

**NAMING RIGHTS:** Bankers Life, a subsidiary of CNO Financial, took over the original naming rights deal from Conseco Inc., which pays \$40 million over 20 years, \$2 million annually, for the naming rights that expire in 2019. CNO Financial also paid the additional cost to change the name.

## **Team: Los Angeles Clippers**

**Principal Owner:** Donald. T. Sterling

**Year Established:** 1970 as the Buffalo Braves, moved to San Diego and changed the name to become the San Diego Clippers in 1978, moved to Los Angeles to become the Los Angeles Clippers in 1984.

[Team Website](#)

**Most Recent Purchase Price (\$/Mil):** \$13 (1981)

**Current Value (\$/Mil):** \$305

**Percent Change From Last Year:** +3%

**Arena:** STAPLES Center

**Date Built:** 1999

**Facility Cost (\$/Mil):** \$375

**Percentage of Arena Publicly Financed:** 19%

**Facility Financing:** Bank of America underwrote a \$305 million loan to finance construction. The city provided \$38.5 million in bonds and \$20 million in Los Angeles Convention Center reserves. This money will eventually be repaid through arena revenues. An additional \$12 million in tax incremental financing was also provided by the city's Community Redevelopment Agency.

[Facility Website](#)

**UPDATE:** In 2012, the lawsuit for wrongful death and negligence, due to a two-year old boy falling from a skybox after a Lakers game, was dismissed. The Judge reasoned that even if the arena did have a duty to supervise the child, there was no evidence that the arena caused the fall.

In October 2011, STAPLES Center underwent a technological makeover, by adding new digital-signage technology, enhanced WiFi, and 4G cellular connectivity. Additionally, STAPLES Center implemented a new fan experience with HD Digital Video Solutions developed together with Cisco and Verizon. One of the most noticeable changes is the addition of Cisco StadiumVision™, an innovative digital video and content distribution system that centrally controls and delivers targeted high-definition video and highly relevant digital content to guests. More than 375 Panasonic HD video displays located in the luxury suites (including 175 Full HD3D screens), refreshment stands and around the Premiere Level give STAPLES Center new channels of communication and engagement with its diverse audiences, while providing fans with an immersive multimedia experience.

In the luxury suites, Cisco StadiumVision further personalizes the event experience by allowing fans to customize their view of the live game or show below, or switch to other channels of premium HD content, by simply changing the channel via the Cisco® touch-screen Unified IP Phones in conjunction with Verizon voice-over-IP service. In the future, fans will also be able to order concessions and team merchandise for delivery to the suites by using the touch screen on the phones.

In 2012, for the first time in STAPLES Center's 13-year history, all three professional major league teams (the Los Angeles Clippers, the Los Angeles Lakers, and the Los Angeles Kings (NHL)), who call STAPLES Center home, qualified for the playoffs. At one point, STAPLES Center hosted 6 games within 4 days.

Pollstar Magazine ranked STAPLES Center as the top grossing arena in North America and the 7th highest grossing arena in the world for 2011. Nokia Theatre L.A. LIVE, which is located directly across the street from STAPLES Center, finished ranked #9 worldwide by Pollstar. Additionally, STAPLES Center was named Venue of the Year at the 2011 Stadium Business Awards.

**NAMING RIGHTS:** STAPLES Inc. was paying \$116 million over 20 years, \$5.8 million annually, for a naming rights deal that was set to expire in 2019. However, in November 2009, the owner of the arena, AEG, agreed to provide STAPLES with perpetual naming rights, for an undisclosed amount. This is the first lifetime naming rights agreement for a stadium in a major metropolitan area.

## **Team: Los Angeles Lakers**

**Principal Owner:** Dr. Jerry Buss and Philip Anschutz

**Year Established:** 1947 as the Minneapolis Lakers in the National Basketball League, joined the NBA in 1948, moved to Los Angeles to become the Los Angeles Lakers in 1960.

[Team Website](#)

**Most Recent Purchase Price (\$/Mil):** \$20 (1979) and \$268 (1998)

**Current Value (\$/Mil):** \$900

**Percent Change From Last Year:** +40%

**Arena:** STAPLES Center

**Date Built:** 1999

**Facility Cost (\$/Mil):** \$375

**Percentage of Arena Publicly Financed:** 19%

**Facility Financing:** Bank of America underwrote a \$305 million loan to finance construction. The city provided \$38.5 million in bonds and \$20 million in Los Angeles Convention Center reserves. This money will eventually be repaid through arena revenues. An additional \$12 million in tax incremental financing was also provided by the city's Community Redevelopment Agency.

[Facility Website](#)

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## **Team: Memphis Grizzlies**

**Principal Owner:** Michael Heisley, Sr.

**Year Established:** 1995 as the Vancouver Grizzlies, moved to Memphis to become the Memphis Grizzlies in 2001.

[Team Website](#)

**Most Recent Purchase Price (\$/Mil):** \$160 (2000)

**Current Value (\$/Mil):** \$266

**Percent Change From Last Year:** +4%

**Arena:** FedEx Forum

**Date Built:** 2004

**Facility Cost (\$/Mil):** \$250

**Percentage of Arena Publicly Financed:** 83%

**Facility Financing:** Funding for the arena came from \$206.9 million in revenue bonds sold by the Shelby County Sports Authority, a \$1.15 per ticket fee, and a state sales tax rebate on the sale of merchandise and concessions at the arena. The remaining balance came from the team.

[Facility Website](#)

**UPDATE:** In June 2012, Michael Heisley, the majority owner of the Memphis Grizzlies, announced an agreement for the sale of the franchise to an entity owned by Robert Pera. Pera is the founder and CEO of Ubiquiti Networks, a publicly traded next-generation communications technology company. The sale transaction is subject to approval by the NBA's Board of Governors, antitrust clearance and other conditions.

Reports speculate the purchase price is in the \$350 million range, with no indication of trying to move the team out of Memphis. Regardless, relocation is doubtful before 2021 because the Grizzlies' lease agreement with the FedEx Forum does not expire until 2021, and steep financial penalties would be triggered if that lease was broken.

**NAMING RIGHTS:** Federal Express is paying \$4.5 million per year for the naming rights that expire in 2022. The 20-year deal is worth a total of \$90 million. The club level at the FedEx Forum will be named First Tennessee Club, for First Tennessee Bank. While the details of the agreement were not announced, it is said to be worth more than \$10 million.

## **Team: Miami Heat**

**Principal Owner:** Micky Arison

**Year Established:** 1988

[Team Website](#)

**Most Recent Purchase Price (\$/Mil):** \$65 for 88% (1995)

**Current Value (\$/Mil):** \$457

**Percent Change From Last Year:** +8%

**Arena:** American Airlines Arena

**Date Built:** 1999

**Facility Cost (\$/Mil):** \$194

**Percentage of Arena Publicly Financed:** 59%

**Facility Financing:** The team built the arena, with Dade County providing \$8.5 million a year in bed-tax revenue to help pay the debt from the construction costs.

[Facility Website](#)

**UPDATE:** American Airlines had naming right to both host teams (Dallas Mavericks and Miami Heat) of the 2011 NBA Finals. As a result, American Airlines received the equivalent of about \$64 millions in purchased ad time during the NBA Finals.

**NAMING RIGHTS:** American Airlines is paying \$42 million over 20 years, \$2.1 million annually, for the naming rights that expire in 2019. To avoid bankruptcy, American Airlines restructured some of its payments for the naming rights in 2003.



## **Team: Milwaukee Bucks**

**Principal Owner:** Senator Herb Kohl

**Year Established:** 1968

[Team Website](#)

**Most Recent Purchase Price (\$/Mil):** \$19 (1985)

**Current Value (\$/Mil):** \$258

**Percent Change From Last Year:** +2%

**Arena:** BMO Harris Bradley Center

**Date Built:** 1988

**Facility Cost (\$/Mil):** \$90

**Percentage of Arena Publicly Financed:** 0%

**Facility Financing:** Money for the arena was donated by the Pettit family as a gift to the people of Wisconsin and in memory of Jane Bradley Pettit's father Harry Lynde Bradley. The team does not pay rent and gets a percentage of suite revenue and concessions.

[Facility Website](#)

**UPDATE:** In May 2012, BMO Harris Bank announced that it bought naming rights to the former Bradley Center, which will now be known as the BMO Harris Bradley Center. The name change also represents a shift in position for Lynde Bradley Uihlein and David V. Uihlein Jr., the daughter and son of the late philanthropist Jane Bradley Pettit. It was Jane Bradley Pettit's \$90 million donation that led to the construction of the Bradley Center in memory of her father, Harry Lynde Bradley. Four years ago, the family said selling the naming rights would degrade their mother's gift.

The BMO Harris contribution, coupled with significant sponsorship commitments from Harley-Davidson, Kohl's Corp., Northwestern Mutual and Rockwell Automation as well as other companies, totals more than \$18 million over six years. Specific contract lengths and contributions were not disclosed.

The BMO Harris naming rights component of the financial commitment is believed to be more than \$1 million a year. BMO Harris also announced a separate six-year sponsorship agreement with the Bucks for an undisclosed amount.

Over the past several years, the Milwaukee Bucks have operated on a one-year lease with the Bradley Center (now BMO Harris Bradley Center). This past season the Bucks played with no lease agreement, operating under the terms of a lease that expired Sept. 30, 2011. Rumors have been circulating that if the Bucks do not get a new arena in the near future, the Bucks could relocate.

Shortly after BMO Harris Bank announced its naming rights agreement, owner Senator Herb Kohl announced that the Bucks are close to an agreement for an extension of the lease with BMO Harris Bradley Center. This lease extension could secure the team's future in Milwaukee until a new arena is built.

Senator Kohl has been pushing for a new arena to insure the Bucks stay in Milwaukee. The BMO Harris Bradley Center is viewed as an arena that does not meet current NBA standards. It is considerably smaller in terms of square footage than most newer arenas, it has no club seats (most arenas have more than 2,000) and it doesn't have enough lower-bowl seats. Renovating the Bradley Center would also be expensive, with estimates as high as \$250 million. Senator Kohl stated that if a new building isn't in place by the time the new sponsorship deals run out, the Bucks' future in Milwaukee will be in doubt.

At this point, no official plans for a new arena have been announced.

**NAMING RIGHTS:** The money for the former Bradley Center was donated by the Pettit family. The understanding was that it would always be named the Bradley Center after Jane Bradley Pettit's father, Harry Lynde Bradley. In May 2012, BMO Harris Bank announced that it bought naming rights to the former Bradley Center, which will now be known as the BMO Harris Bradley Center, estimated at over \$1 million annually.

## **Team: Minnesota Timberwolves**

**Principal Owner:** Glen Taylor

**Year Established:** 1989

[Team Website](#)

**Most Recent Purchase Price (\$/Mil):** \$88.5 (1995), and an additional \$6 million for 10% in 1996.

**Current Value (\$/Mil):** \$272

**Percent Change From Last Year:** +3%

**Arena:** Target Center

**Date Built:** 1990

**Facility Cost (\$/Mil):** \$104

**Percentage of Arena Publicly Financed:** 100%

**Facility Financing:** Financed through a tax-exempt bond issue.

[Facility Website](#)

**UPDATE:** In May 2011, Minneapolis Mayor R.T. Rybak, Minnesota Timberwolves owner Glen Taylor, and Minneapolis City Council President Barbara Johnson announced a proposal seeking \$155 million to renovate the Target Center. Under the plan, the city, as owner of the facility, would provide \$100 million towards the renovations, while the team and facility operator, AEG, would finance \$50 million of the upgrades.

In May 2012, Rybak said the city's maximum contribution for the project would be between \$60 million and \$70 million. This means the Wolves and AEG might have to increase their contribution, as the parties originally pitched the renovation as a \$150 million project, with \$50 million coming from the Wolves and AEG. But Rynak said the scope of the project and funding plan still need to be negotiated. Once the development agreement is finalized, it would go back to the City Council for approval. Then the implementation team will put out a request for

proposals to hire a lead architect and the general contractor. At this point, it seems that local companies are being favored, as Minneapolis-based AECOM and Mortenson Construction both assisted with early planning for the project.

The planning and design will take between six and nine months, followed by 14 to 18 months of construction. The project could be completed by the end of 2014 or early 2015.

The Target Center renovation will completely transform the building. Early schematic plans call for parts of the arena's concrete exterior to be replaced with glass and for its main lobby to be relocated to the corner of First Avenue and Sixth Street, creating a better connection to Target Field and Target Plaza.

Other changes could include new club seating areas, an in-arena public bar, additional retail on the skyway level and a restaurant overlooking Target Field and the plaza.

In September 2011, Target Corp. secured a 3-year naming rights deal, which is much shorter than what the Timberwolves had hoped for. Originally, the Timberwolves had hoped to land a 14-year deal to match the years remaining on the team's Target Center lease.

**NAMING RIGHTS:** Target Corp. was paying \$30 million over 20 years, \$1.5 million annually, for the naming rights that expired in 2011. In September 2011, Target Corp extended the original deal for three more years, giving it naming rights until 2014.

## **Team: New Orleans Hornets**

**Principal Owner:** Tom Benson

**Year Established:** 1988 as the Charlotte Hornets, moved to New Orleans to become the New Orleans Hornets in 2002.

[Team Website](#)

**Most Recent Purchase Price (\$/Mil):** \$338 (2012)

**Current Value (\$/Mil):** \$280

**Percent Change From Last Year:** +5%

**Arena:** New Orleans Arena

**Date Built:** 1999

**Facility Cost (\$/Mil):** \$110

**Percentage of Arena Publicly Financed:** 100%

**Facility Financing:** Publicly funded with revenue bonds.

[Facility Website](#)

**UPDATE:** In April 2012, Tom Benson, owner of the New Orleans Saints (NFL), purchased the New Orleans Hornets from the NBA (the team had been owned by the NBA since December 2010) for \$338 million. Benson said he would assume \$125 million of the team's current debt. In

addition, Benson announced that he will change the team name to something that would better suit the region, and explore plans to build a new practice facility.

In June 2012, NBA's Board of Governors approved the decision to sell to Benson for \$338 million. As part of the deal, Louisiana Governor Bobby Jindal has approved the Hornets' lease extension at the state-owned New Orleans Arena, which runs through 2024 and provides for \$50 million in improvements.

The new agreement relieves the state from the burden of giving the Hornets any financial subsidies, a potential savings of nearly \$70 million, and shifts the responsibility of generating additional revenue to the Hornets by making capital improvements in the Arena whereby the team can earn additional monies through various methods such as re-designed seating areas, advertising and the like.

Also secured in the lease deal is the promise from the NBA of another All-Star Game to be played in New Orleans in 2014.

Benson mentioned that he wants the name "Jazz" back. The Utah Jazz were originally the New Orleans Jazz before their relocation. That's why the Jazz are named something that does not fit with their region or culture in any way, shape or form. However, Jazz owner made it clear the team would not be changing its name.

In early 2012, reports showed that negotiations were underway between the Hornets and the Louisiana Seafood Marketing Board and Zatarain's. The new name being considered is the "Louisiana Seafood Arena, Seasoned by Zatarain's." No financial details were released. The Hornets have been looking for someone to buy the naming rights for the Arena since 2008. The Hornets and the Seafood Board already have a great working relationship. The Arena is the only venue in the world that sells only Louisiana seafood. As of July 2012, no deal has been made for the naming rights of New Orleans Arena.

**NAMING RIGHTS:** When the Hornets moved to New Orleans, city officials gave them the exclusive right to sell the naming rights to the arena and keep all of the profits. Since 2001, the state has contracted with two different sports marketing firms to get naming rights deals for the New Orleans Arena. Both firms have been unsuccessful.

## **Team: New York Knicks**

**Principal Owner:** Team and Arena are owned by Cablevision Systems Corp. (CSC) (60%) and Fox Entertainment Group (40%).

**Year Established:** 1946 as part of the Basketball Association of America, joined the NBA when the leagues merged in 1949.

[Team Website](#)

**Most Recent Purchase Price (\$/Mil):** \$300 (1997) for the New York Knicks. The Knicks purchase was part of a larger \$1 billion deal that included Cablevision acquiring 60% of the Knicks, the New York Rangers, Madison Square Garden, and MSG Cable Network for \$850.

**Current Value (\$/Mil):** \$780

**Percent Change From Last Year:** +19%

**Arena:** Madison Square Garden

**Date Built:** 1968

**Facility Cost (\$/Mil):** \$123

**Percentage of Arena Publicly Financed:** 100%

**Facility Financing:** \$200 million in renovations completed in 1991.

[Facility Website](#)

**UPDATE:** Madison Square Garden renovations are underway. The arena projected the cost of the renovation to exceed \$800 million. The renovations will include new seats, lighting, sound, and LED video systems in HDTV, wider public concourses and other enhancements. The renovations are scheduled to be completed for the 2013-14 season.

The new 7th Avenue entrance will become Chase Square and two new Chase Bridges will be suspended above the floor offering a unique view of the action. The arena will also feature The 1879 Club presented by J.P. Morgan and 7th and 8th Avenue marquees will feature permanent JPMorgan Chase branding.

**NAMING RIGHTS:** Madison Square Garden's history is probably the most significant reason the owners have stated that they would never sell the naming rights to the arena. The history began when Madison Square Garden I opened in 1879. The current Madison Square Garden, Madison Square Garden IV, opened in 1968.

## **Team: Oklahoma City Thunder**

**Principal Owner:** Clay Bennett and the Professional Basketball Club, LLC

**Year Established:** 1967 as the Seattle SuperSonics, moved to Oklahoma City and changed the name to become the Oklahoma City Thunder in 2008.

[Team Website](#)

**Most Recent Purchase Price (\$/Mil):** \$350 (2006), which included the Seattle Storm (WNBA).

**Current Value (\$/Mil):** \$348

**Percent Change From Last Year:** +6%

**Arena:** Chesapeake Energy Arena

**Date Built:** 2002

**Facility Cost (\$/Mil):** \$89

**Percentage of Arena Publicly Financed:** 100%

**Facility Financing:** As the premier project of MAPS, Oklahoma City's visionary capital improvement program to finance new and upgraded sports, entertainment, cultural and convention facilities, the Chesapeake Energy Arena was publicly financed by a temporary one-cent sales tax.

[Facility Website](#)

**UPDATE:** The \$100 million renovations for the Oklahoma City Arena were complete in June 2012. A one-cent sales tax passed by Oklahoma City voters in 2008 funded the renovations.

A new grand entrance to the arena's Southwest corner makes up \$36 million of the overall \$100 million project. The grand entrance—with its three-story atrium, new food and drink options and a family fun zone—will add over 130,000 square feet to the arena and will face the proposed Core-to-Shore downtown park.

A new ceiling and a terrazzo floor was installed on the main concourse and its walls were painted to make it brighter and livelier. New back-lit way-finding signs and 20 wedge-shaped video monitors were hung from the ceiling. Each of the monitors contain six 46-inch screens to form a 121-inch wide screen on each side.

There are also new large video boards at the Northeast and Northwest entries. Just inside the Northeast entry is a new video cylinder or "UFO" board. This board, which measures 92 feet around and over 7.5 feet tall, contains eight Christie 10k projectors mounted inside the 360-degree screen. This board is unique to the arena and does not exist anywhere else. At the Northwest entry is a shield-shaped video board comprised of 22 of the same 46-inch screens found on the concourse.

The Cox Club Level features a remodeled Victory Club that includes a Christie Microtile wall. The wall is made of 36 microtiles, each of which is a 19-inch cube capable of displaying hi-resolution video, driven by a high-end video processor.

Among the new food and drink options found inside the arena are Center Court Grill, Taco

Mayo, Blue Harbor, The Burger Zone and Backyard BBQ. Blue Harbor is a new concession stand with seafood options. Additionally, the Old No. 7 Club, and Sunset Grill were remodeled.

Outside the arena, new Chesapeake Energy Arena signs and a BOLT (Big Outdoor LED Television) board have been added. The BOLT, located on the north side of the arena facing Reno Ave., is 74-feet wide and 20-feet high. It is one of the brightest screens in the world and can display more than a trillion colors.

**NAMING RIGHTS:** Chesapeake Energy Corp. is paying \$36 million over 12 years, \$3million annually, for the naming rights expiring in 2023.

## **Team: Orlando Magic**

**Principal Owner:** Richard DeVos

**Year Established:** 1989

[Team Website](#)

**Most Recent Purchase Price (\$/Mil):** \$85 (1991)

**Current Value (\$/Mil):** \$385

**Percent Change From Last Year:** 0%

**Arena:** Amway Center

**Date Built:** 2010

**Facility Cost (\$/Mil):** \$480

**Percentage of Arena Publicly Financed:** 87.5%

**Facility Financing:** Magic owner Richard DeVos contributed \$10 million, the Magic contributed \$50 million and the rest was financed as part of a \$1.05 billion plan to renovate and upgrade downtown Orlando.

[Facility Website](#)

**UPDATE:** In September 2011, the Orlando Sentinel reported that the Orlando Magic won the exclusive right to buy a city-parking garage across from the arena where the team plays if they can reach a deal with Orlando leaders over the next year.

The agreement is the first step in what eventually may be a \$100 million investment to build a sports-and-entertainment complex and corporate headquarters.

In November 2011, the Orlando Sentinel reported that Orlando officials and the Magic executives are negotiating changes to the team's lease to give the NBA team the formal authority to handle advertising sales, suite leasing and operation of audio-visual systems.

The parties will try to clarify their agreement to make sure the Magic's exclusive advertising rights are not restrictive that they hobble other tenants and cause touring shows to bypass Orlando. Both sides contend there have been no significant problems with the Magic's "use agreement" at the \$487 million Amway Center, and changes were expected after an initial



shakeout period. Discussions primarily focus on two areas: operations and revenue.

In 2012, the Amway Center was named the "Facility of the Year," SportsBusiness Journal and SportsBusiness Daily at the prestigious Sports Business Awards.

**NAMING RIGHTS:** Amway Global is paying \$40 million over 10 years, \$2 million annually, for the naming rights that expire in 2019.

## **Team: Philadelphia 76ers**

**Principal Owner:** Joshua Harris

**Year Established:** 1946 as the Syracuse Nationals in the National Basketball League, joined the NBA in 1949, moved to Philadelphia and changed the name to become the Philadelphia 76ers in 1963.

[Team Website](#)

**Most Recent Purchase Price (\$/Mil):** \$280 (2011).

**Current Value (\$/Mil):** \$314

**Percent Change From Last Year:** -5%

**Arena:** Wells Fargo Center

**Date Built:** 1996

**Facility Cost (\$/Mil):** \$206

**Percentage of Arena Publicly Financed:** 11%

**Facility Financing:** \$140 million was financed through a private bank. Comcast contributed \$45 million, and \$30 million will come from naming rights revenue. The state provided \$17 million and the City of Philadelphia is lending \$8.5 million for infrastructure improvements. Additionally, \$10 million came from state capital redevelopment assistance funding for general site improvements.

[Facility Website](#)

**UPDATE:** In October 2011, the NBA's Board of Governors approved the sale of the Philadelphia 76ers to New York-based leveraged buyout specialist Joshua Harris for \$280 million. The sale marked the end of Comcast-Spectator's 15-year ownership that included a trip to the NBA Finals.

**NAMING RIGHTS:** Wells Fargo is paying \$40 million over 29 years, \$1.4 million annually, for the naming rights of the arena until 2029.

## **Team: Phoenix Suns**

**Principal Owner:** Robert Sarver

**Year Established:** 1968

[Team Website](#)

**Most Recent Purchase Price (\$/Mil):** \$401 (2004), which included the Phoenix Mercury (WNBA) and the Arizona Rattlers (AFL).

**Current Value (\$/Mil):** \$395

**Percent Change From Last Year:** -4%

**Arena:** U.S. Airways Center

**Date Built:** 1992

**Facility Cost (\$/Mil):** \$90

**Percentage of Arena Publicly Financed:** 39%

**Facility Financing:** The City of Phoenix contributed \$35 million with \$28 million going to construct the arena and \$7 million for the land. The Phoenix Suns contributed \$55 million. The city has a 30-year commitment from the Suns to repay a portion of the contribution at \$500,000 per year, with an annual 3% increase. The city will also receive 40% of revenue from luxury boxes and advertising.

[Facility Website](#)

**NAMING RIGHTS:** US Airways is paying \$20 million over 10 years, \$2 million annually, for the naming rights that expire in 2015.

## **Team: Portland Trail Blazers**

**Principal Owner:** Paul Allen

**Year Established:** 1970

[Team Website](#)

**Most Recent Purchase Price (\$/Mil):** \$70 (1988)

**Current Value (\$/Mil):** \$370

**Percent Change From Last Year:** +4%

**Arena:** Rose Garden

**Date Built:** 1995

**Facility Cost (\$/Mil):** \$262

**Percentage of Arena Publicly Financed:** 82%

**Facility Financing:** Public and private funds. The plan called for the public money to be supplied by city bonds backed by event revenues. The city also contributed \$34.5 million for roadwork and utilities. \$46 million in private money came from team owner, Paul Allen.

[Facility Website](#)

**NAMING RIGHTS:** In February 2008, the Blazers again started floating the idea of redeveloping the Rose Quarter as an attempt to sell naming rights to the 13-year-old Rose Garden. However, there is no naming rights agreement in place at this time.

## **Team: Sacramento Kings**

**Principal Owner:** The Maloof Family (Gavin Maloof, Joe Maloof, Colleen Maloof, Adirenne Maloof-Nassif, George J. Maloof, Jr., and Phil Maloof)

**Year Established:** 1945 as the Rochester Royals in the National Basketball League, joined the NBA in 1948, moved to Cincinnati to become the Cincinnati Royals in 1957, moved to Kansas City and changed the name to become the Kansas City Kings in 1972, moved to Sacramento to become the Sacramento Kings in 1985.

[Team Website](#)

**Most Recent Purchase Price (\$/Mil):** \$240-\$250 (24% in 1998 and 29% in 1999) the WNBA's Sacramento Monarchs (WNBA) and Arco Arena were also included in the purchase price.

**Current Value (\$/Mil):** \$300

**Percent Change From Last Year:** +2%

**Arena:** Power Balance Pavilion

**Date Built:** 1988

**Facility Cost (\$/Mil):** \$40

**Percentage of Arena Publicly Financed:** 0%

**Facility Financing:** Privately financed.

[Facility Website](#)

**UPDATE:** After 2010-11 season, NBA commissioner David Stern admitted that the Kings and officials in Anaheim, California had discussions about relocation.

In a surprise announcement, Sacramento Mayor Kevin Johnson announced during a presentation to the NBA that Ron Burkle, a billionaire associate of former United States President Bill Clinton and Democratic Party fundraiser, wanted to buy the Kings and keep them in Sacramento. Johnson also pledged some \$10 million from local businesses as a show of support from Sacramento.

The Kings remained in Sacramento for the 2011-12 season, and will remain there for the 2012-13 season as well. However, as of July 2012, the future for home of the Kings after the 2012-13 season is unclear.

In June 2012, Stern made it clear that the owners of other NBA teams would not vote in favor of a relocation, at least to Anaheim. However, there are still reports suggesting that the Kings could relocate to Kansas City, MO, Seattle, WA or Vancouver, BC.

In February 2012, the Sacramento Bee reported the Sacramento Kings stand to lose \$8.3 million if their sponsorship with Power Balance falls apart. The contract, between Power Balance and

the Kings, was supposed to run through 2016. However, the relationship was left in limbo after Power Balance filed for Chapter 11 bankruptcy protection in Fall 2011. Court filings state Power Balance was to pay \$975,000 the first year, \$1.53 million the second, \$1.9 million the third, \$2.25 million the fourth and \$2.35 million in year five. Due to Power Balance's recent bankruptcy filings, the Kings have collected just \$700,000 of the first year's amount.

The Kings estimate that removing Power Balance's logo from the arena building and practice facility, various locations within the arena, and other locations such as programs, stationery and merchandise will cost approximately \$200,000.

**NAMING RIGHTS:** Power Balance acquired a five-year naming rights deal after ARCO ended its 25-year relationship with the arena. Financial terms of the deal were not disclosed. Due to the Power Balance filing a Chapter 11 bankruptcy claim in 2011, it is uncertain if Power Balance will be able to fulfill the remainder of the agreement.

## **Team: San Antonio Spurs**

**Principal Owner:** Peter Holt

**Year Established:** 1967 as the Dallas Chaparrals in the ABA, moved to San Antonio and changed the name to become the San Antonio Spurs in 1973, joined the NBA in 1976.

[Team Website](#)

**Most Recent Purchase Price (\$/Mil):** \$75 (1993)

**Current Value (\$/Mil):** \$418

**Percent Change From Last Year:** +3%

**Arena:** AT&T Center

**Date Built:** 2002

**Facility Cost (\$/Mil):** \$186

**Percentage of Arena Publicly Financed:** 84%

**Facility Financing:** \$146.5 million was generated through a county tax increase and an increase in hotel and rental car taxes. The Spurs contributed \$28.5 million, which was raised through a \$1.00 increase in ticket fees for NBA games and a \$1.00 parking surcharge. The bulk of the facility's revenues go to the team.

[Facility Website](#)

**NAMING RIGHTS:** AT&T Inc. is paying \$41 million over 20 years, \$2.05 million annually, for the naming rights that expire in 2022.

## **Team: Toronto Raptors**

**Principal Owner:** Maple Leaf Sports and Entertainment, LTD

**Year Established:** 1995

[Team Website](#)

**Most Recent Purchase Price (\$/Mil):** \$125 (1998)

**Current Value (\$/Mil):** \$382

**Percent Change From Last Year:** -4%

**Arena:** Air Canada Centre

**Date Built:** 1999

**Facility Cost (\$/Mil):** \$265 Canadian; \$239.5 U.S.

**Percentage of Arena Publicly Financed:** 0%

**Facility Financing:** Privately Financed.

[Facility Website](#)

**UPDATE:** In December 2011, Rogers Communications and BCE Incorporated announced an agreement, with the Ontario Teachers' Pension Plan for about \$1.3 billion dollars, which gave each company 37.5% of Maple Leaf Sports and Entertainment. They purchase of Maple Leaf Sports and Entertainment included the Toronto Raptors, Toronto Maple Leafs (NHL), Air Canada Centre, the television stations owned by the Raptors and Maple Leafs, the Maple Leafs' top development club and Major League Soccer's Toronto FC.

Larry Tanenbaum, a Toronto businessman, raised his minority stake in the organization to 25 percent and will remain chairman of the group.

**NAMING RIGHTS:** Air Canada is paying \$30.4 million over 20 years, \$1.52 million annually, for the naming rights that expire in 2019.

## **Team: Utah Jazz**

**Principal Owner:** Miller Family

**Year Established:** 1974 as New Orleans Jazz, moved to Utah in 1979.

[Team Website](#)

**Most Recent Purchase Price (\$/Mil):** \$24 (1985)

**Current Value (\$/Mil):** \$335

**Percent Change From Last Year:** -2%

**Arena:** EnergySolutions Arena

**Date Built:** 1991

**Facility Cost (\$/Mil):** \$94

**Percentage of Arena Publicly Financed:** 22%

**Facility Financing:** Mostly financed by team owner. The city donated the land and \$20 million for parking and support facilities.

[Facility Website](#)

**UPDATE:** When Tom Benson bought the New Orleans Hornets in April 2012, he gave immediate notice that he wants to change the name. He specifically mentioned that he wants the name "Jazz" back. The Utah Jazz was originally the New Orleans Jazz before their relocation, which is why the Jazz are named something that does not fit with their region or culture in any way, shape or form. However, Jazz owner, Greg Miller, made it clear that the team would not be changing its name.

**NAMING RIGHTS:** EnergySolutions bought the naming rights for an undisclosed amount, which expires in 2016.

## **Team: Washington Wizards**

**Principal Owner:** Ted Leonsis

**Year Established:** 1961 as the Chicago Packers; changed team name to Zephyrs to become the Chicago Zephyrs in 1962; moved to Baltimore and changed the name to become the Baltimore Bullets in 1963, moved to Landover and changed team name to Capital Bullets in 1973; changed name to become the Washington Bullets 1974, moved to Washington DC and changed the name to become the Washington Wizards in 1997.

[Team Website](#)

**Most Recent Purchase Price (\$/Mil):** \$551 (2010)

**Current Value (\$/Mil):** \$322

**Percent Change From Last Year:** +3%

**Arena:** Verizon Center

**Date Built:** 1997

**Facility Cost (\$/Mil):** \$260

**Percentage of Arena Publicly Financed:** 23%

**Facility Financing:** Private loans financed the building. The District of Columbia provided \$60 million in infrastructure costs.

[Facility Website](#)

**NAMING RIGHTS:** The name of the arena changed from the MCI Center to the Verizon Center in March 2006. The change was the result of Verizon's merger with MCI. Verizon is paying \$44 million over 20 years, \$2.2 million annually, for the naming rights that expire in 2017.