

The National Obsession

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Continuing the discussion about which sport is the national game, let me present my bona fides. Baseball has always been an attraction since my youngest days when the only truly national professional sports were baseball, boxing, and horse racing. Boxing was a favorite with Joe Louis my hero, and I did get to see him box an exhibition when he served in the army in WWII. However, baseball with great radio coverage and a chance to see an occasional Cardinals' game, when Dad was assigned to Scott Field, Illinois, was certainly more fascinating. Like most kids, I had a glove, a bat, could catch an occasional ball, and had an imaginary future as a big leaguer. One thing very unfairly limited my baseball career beyond sand-lot – I could neither pitch nor hit a curve. However, I could hit people, so football became my best sport through high school and into college. This paper, in response to Bob Watkins impressive discourse on baseball as the National Pastime, is about pro-football and is titled "The National Obsession."

Pro football did not grow a true national audience until the 1950's. There is one game that captured the national attention and changed things forever. The 1958 NFL Championship game played on December 28, 1958, in Yankee Stadium, was the first NFL championship game that went to overtime. The Baltimore Colts (later the Indianapolis Colts) beat the New York Giants 23-17 on a thrilling 86-yard drive to force overtime and then win on an 80-yard drive. The level of play throughout the game was ferocious with many stars on both sides, including six players from each team who are now in the NFL Hall of Fame. This game has been recognized as "The Greatest Game Ever Played," the first of many such "Greatest Games." The reason why this game was so important is that it was the first nationally televised NFL game and drew a remarkable audience of 45 million even with the New York City area blacked out. My wife and I had moved to Baltimore in June of 1958, and I can remember watching the game on our TV with rabbit ears augmented by aluminum foil for better reception. Of course, there was no color TV at that time so this impactful game was enjoyed in grainy black and white.

From that auspicious start on national media, let's look at the current situation. It would seem that any pro sport claiming to be the National Pastime would be capturing the national eye balls on TV. Five of the top 10 most watched single telecasts in 2016 were National Football League, NFL, events including the number one most watched – Super Bowl 50 – with 112 million viewers. The second most watched was the Super Bowl 50 Post-Game Show with 70 million. The very enticing baseball Game 7 of the World Series between the Cubs and the Indians came in a distant third with 40 million viewers – much less than even the Super Bowl post game show, and even less than the 1958 NFL Greatest Game Ever Played almost 60 years earlier. The other three NFL games in the top 10 were playoff games. Well you might think

that the NFL with a few big games might have an unfair advantage to baseball which has viewers spread over many more games each season. Here the NFL smack down continues – of the top TV shows or series in 2015-16, NFL Sunday Night was number one. Thursday Night football was #5 and Monday night was #15. There are no baseball shows in the top 20. I don't know if this is an omen or not, but the #2 series was "The Walking Dead." Clearly, the NFL has a product that is commanding the interest of a large segment of the population and those that hope to sell things to them.

Since this focus is on professional sport, we need to examine the business model of the NFL. From that Colts/Giants game in 1958 to today, the driving economic force for all pro sports is TV revenue. One of the innovations introduced by the NFL was the sharing of TV revenues across the entire league. In 2015 (the most recent numbers I could find), the total pot shared was \$7.3 billion which represented \$226 million for each team. For some teams, this shared revenue is the major part of their income while others have richer revenue streams from other sources. As a random example, the Bengals share of this pot was 69% of their total income while, for the Dallas Cowboys it was barely a third. The difference is made up of a number of mostly marketing devices including merchandise, luxury boxes, special media deals, concessions, and enough other cash generators to make the IRS dizzy. Thanks to a NFL limit on player spending designed to level the playing field, this difference does not show up in direct player payroll, but it does show up in higher levels of total media coverage which leads to better attraction for top players, improved fan experience, and continued growth of the bottom line – a virtuous circle. Estimated value of each team reflects this discontinuity with the Bengals estimated value of about \$1.7 billion, and the Cowboys value of well over \$4 billion. Although the ownership and financial reporting of each team is often Byzantine, it appears that all teams are making money with – surprise, surprise - the more successful making a lot more than the others. Net, the business of the NFL and all of the teams is good business indeed.

This very attractive financial picture for the NFL is clouded by a wide variety of challenges. Obviously, the driving force for the future will continue to be TV revenue which is directly related to number of viewers willing to watch and be influenced by the advertising lavished upon them. The litany of challenges could fill another paper, so let me hit on a few. First, and foremost, is the shocking revelation that the game of professional football is boring. With the need for advertising time, the NFL manages to squeeze 11 minutes of actual playing time into a game length that averages 3 hours and 12 minutes. Fortunately, this allows for the enjoyment of 100 commercials per game – yea team! Also, the style of play has become lethargic except perhaps for the last two game minutes of each half. An example is a time consuming drive by the Carolina Panthers against the Kansas City Chiefs in 2016 that took 20 plays and ended in a punt – oh, the excitement! Competing with this torpid pace of activity are an extraordinary number of diversions – particularly for the critical 18-34 age bracket. Not only is this group more interested in their fantasy league than any one team, but they have a fascination with other sports and internet options. For those who haven't logged on Twitch.com, I encourage

you to see this web site (now owned by Amazon.com) that offers the opportunity to watch an expert play any one of dozens of video games. Log-on and your screen will fill with the actual game action including an inset image of that person sitting at their computer playing the game. The more inter-action you want with the player, the higher the fee to watch and the greater the opportunity to give real money gratuities to your favorite. The professional video game player is one of the fastest growing career fields for 18-25 year olds with many earning six figure incomes. Until I researched for this paper, I had no idea how big this attraction had become. This web site has over 100 million visitors per month based on two year old data. Clearly, many people that the NFL needs for future viewers have found more fast-moving action to watch than “3 yards off tackle” followed by “there’s time out on the field.”

The other major challenge for the NFL is the growing sensitivity to serious injury. Although the American public has shown a propensity for blood sport, football is a sport whose basic strategy is to hurt the other guy – not necessarily injure – but inflicting pain is built into the game. Both my high school and college coaching focused on “the big hit” with accolades for those who “knocked the snot” out of the other guy. After you knocked your opponent to the tundra, you should never help him up – if he is able, let him stagger to his feet by himself. In an interview with Playboy magazine in 1971, the famous Chicago Bear linebacker Dick Butkus, was asked why he put up with pain and seemed to like the physical contact. For sake of decorum, I will paraphrase his response: “That’s like asking me why I like to ‘have sexual relations with a member of the opposite sex.’” As more and more players are showing serious physical and mental long-term damage, the fan base is becoming more sensitive to the violence of football. Considering the size and speed of the typical player, the prediction made by a previous Bengals quarterback, Carson Palmer, that one day a player will be killed on the field seems likely. The physical and mental risks extend down to the high school level where the risk/reward equation is unbalanced by the complete lack of testing for performance enhancing drugs, PEDs. Accurate data is hard to find, but estimates are that at least a third of high school football players use PEDs to improve their chances for a college scholarship – particularly at a Division 1 school. However, according to NCAA figures, a high school senior playing football has only a 6% chance of making a college roster, and a college football playing senior has a 1.6% chance of being drafted by the NFL. The odds of hitting the football big time are tiny – except, of course for your son or grandson – but the rewards are high, thus leading to various forms of trying to get any kind of advantage possible. An un-nerving trend is starting at the high school level with equipment manufacturers such as Nike and Adidas bidding to equip and sponsor high school teams. There are high school teams in Texas with such a sponsorship that provides about \$300,000 per year plus equipment to the school with agreement that the school and the players can appear in advertising. At some point, enough will be enough, and the public could turn away from football as they did from boxing. For those who agree with some coaches that the only way to teach discipline, teamwork, and manhood is through collisions on a football field, I would suggest an angry response from the millions of kids each year who get all of that

and more from many other activities without learning and celebrating that violence is a way to prove manhood.

With all of these negative forces facing the NFL, I am happy to report to you that I have seen the future. Yes, my friends the future of the NFL is thriving at this moment. I have made the pilgrimage to AT&T Stadium in Arlington, Texas, best known as Jerry World and home to the Dallas Cowboys. This is a stadium of a different sort from any you may have seen. Huge by any standards, this indoor stadium seats 80,000 in standard seating and 105,000 with standing room. The big screen you may have heard about is bigger than you think. The 75 foot-high screen runs from one 20 yard line to the other 20 yard line almost completely covering the length of the field and dominating the scene – a real time video game. The stadium is decorated with modern art commissioned by Jerry Jones family and tours of either the facility or the art are available for \$18-35 – schedule a month in advance. However, the big news for me is how the stadium was financed and currently funded. The total cost was estimated at \$1.3 billion, but the City of Arlington only contributed \$325 million, 27%, paid by a bond issue that is being retired 10 years before maturity. The Cowboys paid for the remaining billion dollars themselves with various financing of their own. The relatively small contribution by the city was impressive compared to many stadium deals. However, the real surprise is that, after completion, the stadium was deeded over to the city. The Cowboys pay \$2 million annual rent and keep the revenue that arise from their use of the stadium. Otherwise, the stadium is in almost constant use for everything from little league football games, to high school championships, to rock concerts – all managed by the City of Arlington. During a Cowboys game, there is always something happening on the field, in the stands, or on the big screen to entertain fans when the ball is not in-play. They even have go-go dancers in cages at the outer edge of the end of the building. Locals think of The AT&T as the home of the Cowboys, but also as a place to go for a variety of entertainment options – monster trucks anyone? Jerry Jones vision was to create a stadium and a brand as a complete entertainment venue not just for those attending the games, but for those who use it all year.

Jerry has not stopped and is now completing a new training facility in Frisco, TX, 38 miles north of AT&T Stadium. This is a 91 acre site called The Star that will include a 12,000 seat indoor football stadium sponsored by the Ford Motor Company, a hotel, shops, restaurants, a private club, and complete training and practice facilities for the Cowboys. The City of Frisco has ownership of the indoor stadium, and the local high school football teams will play there as well as many other entertainment events. Again, Jerry is building another entertainment complex that will extend the fan interaction using the Cowboys brand as a focal point, but providing much broader entertainment. There is nothing that better illustrates the thought process of Jerry Jones than the offices he included at The Star for his headquarters – The Dallas Cowboys World Headquarters.

The hope for the NFL is recognizing that the brand needs to stand for entertainment with football reinforcing that image. The eyeballs of the nation shift quickly, and the NFL needs to improve the pace of their ponderous game while developing a total entertainment viewpoint. Painful as it must be for many owners, Jerry Jones could be leading the way for continued growth and success for the NFL.

I will admit that I did not play fair with the question of what sport is the National Pastime. Someone could make the case that it is neither baseball nor football, but is what you can see on Twitch.com – interactive video games. However, I will take your criticism – for now - and stick with the premise that football is the National Obsession.

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