

Bill King: Another Super Bowl is in the books and now we're looking ahead to the next one. Our NFL writer Dan Kaplan has an interview with the chair of the host committee for next year's Super Bowl, Rodney Barreto. Then we'll bring in Charlotte Business Journal managing editor, Erik Spanberg, who has this week's cover story, which looks at the state of the NBA All-Star host, Charlotte Hornets. That and whatever else comes up once we get going here in the news room at Sports Business Journal. I'm Bill King, and this is First Look.

Bill King: Well, if you were in Atlanta for last week's Super Bowl you found a workable, walkable footprint that made getting around to events relatively easy. If you managed to stay out of your rental car, you probably came away pretty happy. That is in contrast to what you found in some other Super Bowl cities over the years. Perhaps never more so than when the game has been in South Florida where the stadium sits midway between downtown Fort Lauderdale and Miami. Layer in South Beach and you might feel like you spent most of your time shuttling back and forth. Miami is back in the rotation next year, and this time the chair of its host committee, Rodney Barreto, says you will definitely notice some differences. He spoke with our Dan Kaplan last week in Atlanta.

Dan Kaplan: Hi, I'm sitting here with Rodney Barreto, the chair of the Miami-Dade host committee, which is taking in the Super Bowl next year, but we're sitting here in Atlanta days before the big game. Why do the host committee chairs come to these games the year before they host the game?

Rodney Barreto: You know Daniel we're always learning, and we want to come here and observe and see what Atlanta is doing. We have a whole team here mirroring the host committee. They're working hand in hand and side by side and going through the motions. A lot of people on my staff have never done a Super Bowl before, so they're here to learn. We're going to take some best practices back to Miami and put on a great event when you come to Miami.

Dan Kaplan: What are you learning here?

Rodney Barreto: Well we're just learning how they set up their whole Super Bowl Live in downtown. Ten years ago when we had this in Miami it was spread out between three counties. Now the whole new vision of the NFL is to centralize everything to one big park in downtown.

Dan Kaplan: Super Bowl Live, that's essentially the Super Bowl village. Those who follow the Olympics would know it as the center of the activity.

Rodney Barreto: Absolutely. It's a free event, open to the public, so folks can come down. There's going to be all sorts of activations and free concerts. That's going to be the center of the hub of activity.

Dan Kaplan: When was the last time Miami hosted the Super Bowl?

Rodney Barreto: 2010.

Dan Kaplan: What has changed dramatically since then?

Rodney Barreto: First of all, Miami's a different city. I mean we have all kinds of new infrastructure. We have a new train that comes from Dade, Broward, and Palm Beach called Bright Line. We have a new-

Dan Kaplan: Is that right?

Rodney Barreto: Yes we do. We have a new tunnel. We have a new Perez Art Museum. We have a new museum of science. We have brand new hotels, all kinds of new restaurants. We're excited to show off Miami because we have come a long ways in 10 years.

Dan Kaplan: What does it mean though for the centralization effort? In the past, when it's been in Miami in the past, it's been in Fort Lauderdale, it's been in Broward, it's been all over the place. How hard is it politically to sell the Super Bowl when it's got most of the events have to be i one spot?

Rodney Barreto: You know the South Florida effort, Dade, Broward and Palm Beach, it's extremely important that they're our partners. In fact, the Taste of the NFL will be up in the Broward Convention Center. That's one of the marquee events that's put on. We work with all three counties. All three counties will have activation. They'll have a taste of the NFL, but the core hub will be in downtown Miami.

Dan Kaplan: Where in downtown Miami? There's South Beach. There's downtown Miami. Where precisely?

Rodney Barreto: [crosstalk 00:03:46] Daniel, I'm going to have to get you down there. South Beach is nowhere near downtown Miami.

Dan Kaplan: Well I know it's not, but when I think of downtown Miami I do think of anything not in Fort Lauderdale if I'm coming from the north.

Rodney Barreto: Downtown Miami, basically it would be in Miami's Bayfront Park. It would be from [inaudible 00:04:04] and Continental, which will be the NFL Headquarter's hotel, to Bayside and that whole area there. It's all on the waterfront and then has the buildings as a backdrop on the outside.

Dan Kaplan: So it's not South Beach? It's just literally-

Rodney Barreto: It's not South Beach. However, at the Miami Beach Convention Center we'll have the media center there. Then we'll have the social media platform will be hosted there as well, and so will the NFL Experience.

Dan Kaplan: Great. Now NFL Live always has a wow factor now that the league looks for. There was a zip line in Indianapolis. I guess it's the Ferris wheel here in Atlanta. What will be the wow factor in Miami?

Rodney Barreto: I think the water front is going to be a part of our wow factor. We're going to have some activations on the water there that's going to I think blow some people away. We're not going to reveal everything yet. It's a year away. Plus, a lot of things we're still working on.

Dan Kaplan: What are the chances of the host team being in the Super Bowl next year?

Rodney Barreto: Slim to none. I think we're in a rebuilding effort. No team has ever hosted their team in a home stadium. Wayne Huizenga when he owned the Dolphins, Wayne's no longer with us, but when he owned the Dolphins he really wanted to be the first NFL owner to have his Dolphins play in his home town. Miami will have their record breaking 11th Super Bowl, which we're really proud of. We have a long history. Half of those games were played in the Orange Bowl and the other half were played in the new Hard Rock stadium.

Dan Kaplan: Now let me ask you a macro question about the NFL. The NFL had tough times the last couple of years politically. This year it seems to have gotten through it. You're outspoken on politics, what are your thoughts about where the NFL stands politically?

Rodney Barreto: You know that's not for me to say. I'm here hosting a game that's great for our community. It's going to generate a lot of business. It's going to be great for our hotels, our restaurants, our airports, our seaport, and that's what it's all about. We're going to have 5,000 press from all over the world broadcasting to 170 countries. I don't know, that number I think is going to probably be about \$150 million worth of free PR for our region, and so we're really going to put our best foot forward to show the new Miami, which is probably the hottest city in America, if not the hottest city in the world.

Dan Kaplan: What is the new Miami mean exactly as opposed to the old Miami?

Rodney Barreto: Well because new because of all the new infrastructure we have. Just I've said, Bright Line train, actually the new train is now called Virgin train because Sir Branson came in and bought the train and put his name on it. Like I said, we have all kinds of new activities. A lot of people do think of Miami and then they think of Miami Beach, but now Miami has exploded in all these different neighborhoods. There's Wynwood. There's the design district. There's Brickell. It's just that side of the bay, or our side of the bay, is just exploded. It's going to be great to show off a new Miami to a lot of people.

Dan Kaplan: It's been very cold here in Atlanta. Is it safe to assume we will finally get a warm Super Bowl next year?

Rodney Barreto: Well I checked the weather this morning and it's like 75 degrees in Miami, balmy and blue skies, so yes we're looking forward to hosting it. No one takes into consideration when you go, in these cold weather games, that you have a hat, a jacket and gloves, and scarf. What do you do with all that when you walk into the stadium? When you peel it all off you've got to sit there and pile it on your lap, [inaudible 00:07:31]. We have no coat checking stations at Hard Rock stadium, so leave your coats at home.

Dan Kaplan: Great. Well thank you very much for your time.

Rodney Barreto: Okay. Thank you.

Dan Kaplan: Take care.

Rodney Barreto: All right.

Bill King: As we come out of the Super Bowl, the next big event we turn our eyes to is the NBA All-Star game, which this year lands in Charlotte, finally. To that franchise and to those who live and work there who saw their city land and then lose and now regain the game, it's been quite the saga. So to has been the story of the Charlotte Hornets franchise. The NBA was the first in the major leagues to give the Sunbelt city a shot in that expansion franchise, one which it landed, then lost, then regained, and then renamed. Charlotte Business Journal managing editor Erik Spanberg dove into both of those twisting tales this week in our cover story. Erik, it's interesting how many turns this Hornets story has taken isn't it? Between when you think about the NBA and you think about the Hornets and the twists and turns of this All-Star game, it really is pretty striking.

Erik Spanberg: There's a lot of landing and losing going on, as you said Bill.

Bill King: There is.

Erik Spanberg: There's a lot of landing and losing. I'll guess I'll start with the All-Star game itself, which was awarded to Charlotte in 2015. Adam Silver came down and was with Michael Jordan and everybody was happy. It was going to be here in 2017, and then of course the next year controversial state laws passed. The NBA among others decides it doesn't want to do business in North Carolina, at least for its showcase event. They take it to New Orleans. Then the law is repealed, or at least partially repealed, and so finally that brings us to February of 2019 and the game is going to be here at last. As you'll remember, it was last year in 1991 when the Hornets owner was on the Eastern Conference squad.

Bill King: Right. Which is yet another interesting twist that we saw of course is that Michael Jordan's purchase of the franchise. I want to take you back for a second because at the Super Bowl last week it was interesting. I was talking to somebody and the usual where are you from, and I said Charlotte and getting ready for the NBA All-Star game. They said oh yeah that's right. They said hey

whatever happened with that bathroom thing because everybody knows sort of it was a bathroom thing.

Erik Spanberg: Yes.

Bill King: They lost the game because of the bathroom thing. Did the bathroom thing go away? For those of us who live this we know what happened, but go ahead and catch people up.

Erik Spanberg: Yeah. The law was known as the bathroom bill because it was a law that prevented nondiscrimination protection for lesbian, gay, bisexual, and transgender populations. One of the things it did was it prevented the use of a public restroom on the basis of gender identity. That was the item that really caused the loudest outcry. The law was repealed. What North Carolina did in essence was say we're not going to do anything with this until 2020 in terms of local ordinances, so it's erased. For advocates, they are not happy that it was left in that state. We'll see what happens with it. But in essence it was enough to get the NBA, and the ACC, and businesses back, and so that's how the All-Star game came to make its winding path back to Spectrum Center.

Bill King: Some interesting interplay there when you think about the Hornets and the role they played in all of that. Here's Michael Jordan who famously said, or did not say depending on who you ask all these years later, but in essence didn't feel like it was good to take a stand on social issues, political issues, or whatever because he wanted to seel gym shoes, as he likes to call them. Well here you have this franchise that very much did get engaged on this issue. What did you find in that regard as you dug in deeper and talked to people about it?

Erik Spanberg: Yeah you're right, that is very interesting. The infamous Republicans buy sneakers too. Whether it was said or not, we all have heard it.

Bill King: It's been repeated many times.

Erik Spanberg: It's been repeated a lot. As you know Bill, Fred Whitfield, who is a life long friend and business partner of Michael Jordan, is the president of the Hornets. He was one of five or six business leaders who spent the bulk of a year lobbying the state legislative leaders, the governor, to repeal this bill saying look not only is it the All-Star game, it's our business because remember like a lot of teams this publicly owned building is run by the team. They depend on concerts and outside tournaments and all those things, and all those things were beginning to melt away. You're right, it is a paradox that this infamously apolitical superstar all of a sudden owns a team and his top guy is out there at the state capitol every single week basically mixing it up with the politicians.

Bill King: Which put that franchise arm in arm with the local business community. Let's roll this way back. Let's roll this back to the loss of the Hornets, the granting of the Bobcats, and how that played out. Tell me a little bit about the contrast

between that walking lock step with the business community now and the way that franchise when it returned was viewed by the business community over those years.

Erik Spanberg: Yeah. When the original Hornets left in 2002, the most prominent CEO in town was Hugh McCall, who ran Bank of America. He was the one who had the relationship with Bob Johnson that got Bob Johnson interested in perhaps bringing another team to town. Everything is good so far. Then that team comes to town and Bob Johnson starts to break a few dishes. He is frustrated. He didn't realize the extent of the backlash toward the NBA because of the move, and he lashed out publicly. This is in some ways an insular town. It's a small town. He paid for it in terms of corporations not really supporting the Bobcats. All the money lost, all the struggles, team's bad, that's how Michael Jordan buys it for a song.

Erik Spanberg: You're right, even though Michael Jordan and his administration had started to repair those relationships, I do think that it was that HB2 issue where you had Fred Whitfield in the trenches with people from Bank of America, from Blue Cross Blue Shield, from all these companies that really cemented a lot of things for the Hornets. Then by taking that extra step and going back and getting the All-Star game after it had been moved, I think that won them a lot of good will.

Bill King: Well having lived toward that honeymoon that wasn't, having lived through that honeymoon that wasn't, which is what it was, it was interesting because I was in central Florida to see the Orlando Magic launch and that was very much a honeymoon. Boy it bloomed and it lasted for a long time. Charlotte had that. It had that with the Hornets. Then an expansion team, the math of this was so bad and the cultural side of this was so bad, because you had a guy who had to make this huge investment in expansion. Expansion is by its nature expensive. And he had a new arena, also by its nature expensive. All that hanging over his head, but he doesn't get the honeymoon. He comes in with all this baggage. It just never, never worked. You talked to Pete Guelli who joined the franchise in 2009 I believe it was. He sort of had a real good view of where the Bobcats, which they still were at that time, stood in this community. What were some of the stories he told you? What did you find in that regard?

Erik Spanberg: Well it's interesting Bill. One of the stories he told me was something that you had been told I think years ago when you were writing about the Bobcats, which is this idea of the first day at work. He goes in and there's the pile of mail. Letter number one is Blue Cross Blue Shield, guess what, we don't want to do business with you anymore. That was a good tone setter I think. Pete came in from Buffalo where he had worked with the Buffalo Bills. He had been with the Bills post-Super Bowl, so he was there during difficult times. They have stadium issues. The team's not very good. He came at this as look I'm a small market guy. I understand the struggles. I can handle this. He knew that the Bobcats had problems. I don't think he knew the extent of how bad it was here. They were under 5,000 season tickets for example. That's just horrible for an NBA team.

Erik Spanberg: But to get to your point, the cultural mix was so bad. The NFL had come in. The Carolina Panthers were, like in most cities, the dominant sports franchise, but on top of that not only was the NBA an afterthought here, it just elicited all these bad memories.

Bill King: There was bitterness.

Erik Spanberg: Yes. Over the arena, over the move, over all these issues. Then on top of that nobody even liked the name. They didn't like the colors. I mean just nothing worked.

Bill King: Except me.

Erik Spanberg: We'll get you the Gerald Wallace throwback jersey in a couple of weeks. But I think that the smartest thing, I mean it's an obvious thing, but it's the smartest thing they did was they got back the Hornets name. That took not just investment and not just strategy, and not just oh yeah we know everybody likes it, it took New Orleans of course playing their part. Tom Benson probably gets an assist for some of the Hornets resurgence.

Bill King: That very decision, which is really interesting. There's a part of me that would think what's the name, the colors, all that stuff, who cares right. It's about product on the floor. Turns out people really, really cared. Talk a little bit about that, or anything that, tell me a little bit about what they said about that. They clearly weren't surprised because they had heard it over and over again. I think a lot of us looked at that and said yeah that's easy for people to say, but let's see them put down the money for the tickets. They put down the money for the tickets.

Erik Spanberg: Yeah, so a couple of good points there Bill. I mean the first one is what you're saying is even though you may have warm and fuzzy feelings for the name, will you actually put down any more money. They went out and did surveys and asked people, and people said they would. Again, that's one thing. The fact that they did is something else entirely.

Bill King: Right.

Erik Spanberg: It's interesting, I remember one of the first few years I was in Charlotte, this was the original Hornets, and then First Union had this big mural painted-

Bill King: Absolutely. They owned the town. The Panthers did not own the town.

Erik Spanberg: No.

Bill King: The Hornets owned the town.

Erik Spanberg: You had Muggsy Bogues and Larry Johnson up on the, players up on the side of a skyscraper.

Bill King: Like five stories.

Erik Spanberg: Huge. And you had a 24,000 seat building that still was really difficult in terms of getting tickets. The team was good. They weren't great, but they were good. Then you look at all those things that happened. What's interesting is this is transient Sunbelt city, you just said it, and yet something about the Hornets, I don't know if it was the purple and teal, I don't know if it was the mascot, it just resonated so strongly here that even people who weren't here just felt like yeah that's right, it should be the Charlotte Hornets. It's one of those rare cases where people actually put their money where their mouths were.

Bill King: Where they are today. Where are they today?

Erik Spanberg: It's funny, in essence they have climbed Mt. Everest. Even though they've climbed Mt. Everest, they're back at base camp because they had so much catching up to do because this franchise was in such dire straits. They've done a lot of things really well. They've hit a lot of milestones, and yet they're still in the bottom half in terms of attendance. They still have issues with television audience. They had to not only rework their television deal, but even after they did, which has been some time now, they've got to put that product on the floor. To your point Bill, as wonderful as all those things are, you've still got to win at some point. That's the piece that they have to figure out. They're still I think some questions, reasonable questions about is Michael Jordan willing to spend the money when that opportunity comes. Not only for Kemba Walker when he is a free agent, or when his contract comes up this next summer, but also will he go out and get another star player, or two star players because as we all know, NBA you've got to have two or three guys, you can't do it with one.

Bill King: Right. You raised Michael's name I want to go a little deeper into that because that's been another interesting piece. I remember when he bought the team. It was a conversation where he in essence, I believe the phrase was, "I'm not going to be anybody's show pony," I think is what he said, and that one he really did say. I think that was the phrase he used.

Erik Spanberg: You're exactly right.

Bill King: Okay. His point was people are going to need to want to see this team not to see me. I'm not going to be the reason that somebody signs on as a sponsor. Well the reality was you kind of needed to be. I mean at the highest levels, no you didn't have to sell every suite, no you didn't have to make phone calls to season ticket holders, but you had to be a little more engaged. He certainly was. How has that lifecycle moved through this last period now since he did that? Because he did turn the page. There's no question he went out and he got more engaged in the business community. Where is that now?

Erik Spanberg: Yeah I think that's been really interesting. Part of it is being a younger sports market right because in established cities they're not really worried if they see the owner or not. Now granted there's a little bit of a difference because Michael Jordan is such a star, but I think both sides have bent a little bit. As you say, Michael Jordan became more involved, a little bit more visible. You'll see him at games sitting court side from time to time. At the same time I think people around town stopped demanding that they see Michael Jordan at the grocery store every day in order to become Hornets fans. He stepped in though when Novant, one of their big healthcare sponsors, was on the fence. He went and appeared in an ad personally. Don't tell me that didn't close that deal.

Bill King: Absolutely did.

Erik Spanberg: He has met with business leaders from time to time to assure them that look we're not going to do business the way the Bobcats did. I think he's involved. Obviously Curtis Polk, his long time business partner who is also the managing partner and a minority owner of the team, is the hands on day to day dealing with the front office. I think Michael is probably involved enough to keep fans happy and businesses happy, and it's down to that final piece that we're talking about is they've got to become a legitimate playoff team year after year. Look, people only go see purple and teal-

Bill King: That's right.

Erik Spanberg: And a cute Hornet mascot so long. It's work. They've had a lot of things come through, All-Star game, new uniform, all those things, but now they're to the point where they've got to really deliver with that encore product. I think they know that, but it's easier to say than to do.

Bill King: In that very difficult position where they do have what has become their franchise player, a guy who ... They have not drafted well. They've drafted a whole lot of good serviceable NBA players, but they've done that in picks 3 through 10, where you just have to hit every once in a while. Nobody's going to hit those all the time, but you've got to hit some. The only one that turned out they hit in all these years was Kemba, and now he has hit this year, and of all years, in a contract year. He's a starter in the NBA All-Star game. Now you have to keep him. But what about after that. What about all those other pieces. It's going to be very interesting to see how the franchise moves along in that regard.

Erik Spanberg: Yeah, and I think the other thing to mention here Bill is that their gamble, or their bet, is on Mitch Kupchak, who of course had washed out in LA but had a lot of success there before, and this young coach, James Borrego, who had worked under Gregg Popovich. They feel like they have everything on the business side. They feel like they made some progress under Steve Clifford when he was the coach and Rich Cho was running the personnel side. Now they've hired these two guys in the last year to take them to that perennial

contender status. Can they do it, I have no idea, but they need to do it in order for them to really keep moving. They've gone, I think, about as far as they can with business strategy and the moves they can make off the court, now they've got to deliver on the floor. That's the last piece.

Bill King: well landed, lost, regained, renamed. They're kind of out of options right.

Erik Spanberg: Yeah.

Bill King: So this is it. This is it at a very interesting time as the NBA's eyes turn to Charlotte, North Carolina for the NBA All-Star game coming up right around the corner. Erik thanks.

Erik Spanberg: Thanks Bill.

Bill King: That's it for us this week. For Dan Kaplan, Erik Spanberg, and our producer Anna Mason, I'm Bill King and this has been First Look.