

Bill King: It's Daytona Week, and the start of the NASCAR season. We've got our motor sports writer, Adam Stern, in to set the table for us and take a look at new leadership in that sport. We'll look back at the Super Bowl and ahead to the next, and write a postscript on the NFL season with executive editor Abe Madkour, and our media writer, John Ourand. And then Abe and John will stay with us to talk about what they're watching in the week ahead. All that and whatever else comes up once we get talking here in the newsroom of SportsBusiness Journal. I'm Bill King, and this is First Look.

Bill King: It's the week of the Daytona 500, and as has been the case since the beginning, there is a France at the helm of NASCAR, but it's a different France. Our NASCAR writer, Adam Stern, has spent much of the off season looking at changes atop the family that has run stock car racing, well, forever. This week he takes a close look at NASCAR's new chairman, Jim France. Adam, Jim France is running NASCAR, right? Who is he? How did we get here? And what should we expect?

Adam Stern: Well, Jim France has been a major player in NASCAR through the decades behind the scenes. He's run ISC over the years, he has been someone who has been on NASCAR's board for decades. He started working at ISC I believe in 1959, at the age of 14. So, he's been working in the family company for decades. And he's someone who has had a major influence behind the scene for years, but he's now stepped up in a much more major way. It's funny, because something that we didn't mention in our report but that was the case was that there had sort of been some rumblings last year that Brian could be replaced anyway. Obviously NASCAR has seen some challenges over the years that they've not been able to stabilize yet with their key performance indicators, and last year was the sort of year where those rumblings picked up again that hey, maybe there could be a change.

Adam Stern: Now, obviously, Brian had his issue in August, where he got arrested and that ultimately led to him ... That's how NASCAR used that to pivot.

Bill King: We should back up for a second, because if you only pay attention to NASCAR around the Daytona 500, maybe you're not caught up on that. Brian.

Adam Stern: Yeah, Brian France ran the sport for many years through the 2000s and he was kind of, as Rick [Hendrick 00:02:19] described it, a big picture guy. He wasn't someone who was at the track every weekend, but he was someone who, for example, was credited with helping strike the sport's largest TV deal. But he was someone who, over the years, because of the fact that he wasn't always in attendance, whether at industry meetings or at the track, he kind of lost a lot of support around the industry. And so I think the France family was potentially already looking to pivot anyway. Obviously, his situation necessitated it happened immediately.

Adam Stern: And so Jim has stepped up, and he's really become ...

Bill King: His situation, charged with ...

Adam Stern: Driving under the influence in New York. And so Jim has stepped up and he's really been ... He's been at literally every race since he took over in August. No, he has not missed one. And he's been at countless industry meetings, and he's someone who's provided a lot of energy for the industry at a time when they needed a leader to do that. So, we take a look at that this week in our story. We talk to a lot of people around the industry. Rick Hendrick compared him to Tom Brady moving down the field with no huddle, in terms of the amount of things that he's been able to do in a short amount of time.

Adam Stern: Now, Jim is staying behind the scenes. He's not spoken to the media yet. So Steve Phelps, the President, has kind of been his conduit, but we're starting to see some things coming out here and there, and there's a lot more big announcements to come and big moves to come. But clearly behind the scenes, Jim France is making major moves right now.

Bill King: And what is the structure, then, beneath him? Because that's been in transition also as well.

Adam Stern: Yeah, so Steve Phelps is the President, and he's kind of really the public face for NASCAR at this point because Jim doesn't want to ... He's just at this point someone who wants to work behind the scenes. That's always kind of been his thing.

Bill King: It absolutely has.

Adam Stern: And it's continuing right now. Steve Phelps has ... NASCAR has changed their structure in certain regards. They went through a round of lay-offs recently, and restructured through that. Steve Phelps has less direct reports now. He went from five to four. So, they're trying to streamline it for Steve as well. And they're making a lot of changes this year. They're doing a lot of new initiatives.

Adam Stern: They've green-lit a 10 to 20 million dollar advertising budget to advertise the sport outside of its usual programming. That's something that people have been calling for for years, and they haven't done. They just simplified their post-race competition with their officiating, where now the cars will get inspected at track that night. And the winner will be declared that night, and they can disqualify a driver if they don't pass inspection.

Adam Stern: It's something that seems so sort of simplistic, but for years, they've been doing it differently where they brought the car back to an R&D center in North Carolina. And you couldn't strip the wind, but you could say two or three days later that the winner was not under ... They didn't have the right sort of car, so it was all sort of confusing and he's trying to do things like this to simplify the sport. So, he's doing a lot both on competition and business right now, and major thing to watch out for this year in terms of what other moves he makes.

Bill King: So, do you feel like he is a guy who is willing to make changes and willing to make them quickly? Is that what you're hearing?

Adam Stern: Absolutely. There's no question. I mean, Rick Hendrick, to go back to him ... And we certainly spoke to other people besides Rick, but he gave a number of great quotes. And in the way he put it was that sometimes things get lost through translation and communication when you're dealing with ... You're telling your assistant one thing or one of your top lieutenants one thing and they're relaying it to NASCAR, but he said, "Jim France is right there in the firing line. He's in every meeting." So, nothing gets lost in translation, and accordingly, because you're having the top guy at NASCAR now at all these meetings, he can sign off on things much quicker.

Adam Stern: So, according to a lot of people in the industry, we also spoke to Steve Newmark, the President of Roush Fenway, for this piece amongst others. A lot of things are getting done behind the scenes, and we're starting to see some of them trickle out publicly. I think we'll see a lot more throughout this year as we start to see things like the schedule change, the new sponsorship model get rolled out for 2020. But even in these early days, about six months in, it's already starting to become clear that Jim is making major moves.

Bill King: That sponsorship model, outline that a little bit and how is the industry responding to that as we head into this season?

Adam Stern: Yeah. NASCAR had a couple title sponsors for a decade to a couple decades. And that all ended after Sprint left. And the company they found to replace Sprint was Monster Energy. And clearly this deal with Monster, while it's been okay, it just obviously has not ... It was never going to turn to a long term deal. And that's been the case, and I think NASCAR realized that the asset of the title sponsorship was diminishing as it kept changing hand over a shorter period of time. So, they're now moving to a new model in 2020 where they're going to be similar to the NCAA. There's not going to be one brand attached to the title of the league, but there's going to be several top tier partners who are going to get the best marketing assets and things like that. So, it's a major system.

Adam Stern: Now, Jim's not the person who's necessarily directly setting this up everyday. That's more so Daryl Wolfe, but Jim is helping oversee it, and it's a major move for them. So, they got a lot to set up this year. Not just to land the top tier partners, Coca-Cola is one that's been mentioned as most likely to land one, but also to set up the parameters for the whole system itself. So, that's one example of a major undertaking that's happening this year.

Bill King: So Jim and top tier management aside, heading in to this year, you're watching what?

Adam Stern: The biggest thing obviously I think is just ultimately can this sport stabilize? I mean it's been talked about for years, I think if you look at the overall aggregate

numbers, the sport still is in a decent place. For example, last year they averaged 3.3 million viewers over the course of 10 months. That's pretty significant numbers, but they can't get away from this narrative. And the narrative is that things are on the downtick. Things are on the down trend. And so even while they still have some large overall numbers, they got to stabilize some of their KPIs, Key Performance Indicators, in order to kind of reverse this narrative that has besieged ... The media has besieged some of their fans' thoughts. So, there's kind of ... If NASCAR, we mention this in our piece as far as Jim France's To Do List, a simple stabilization of their KPIs would go a long way to making this sport go in a right direction.

Bill King: Well, we've got just a few more days or maybe only a couple of days, depending on when you're listening to this, to see exactly how this season starts off for NASCAR. Adam, thanks.

Adam Stern: Thank you.

Bill King: We've had some time now to digest Super Bowl 53, and 13 to 3. The Patriots and Rams gave us the lowest scoring game in Super Bowl history. You certainly heard that many times by now. Though close all the way and historic in many ways, it was an uneventful game. It was an uneventful halftime. It really wasn't even much of a news week. But as always, if you're talking about the business of the NFL and the business of sports television, there had to be plenty going on during Super Bowl week. In to discuss that today and provide a bit of a Super Bowl postscript, we have two gentlemen who made Atlanta their home for most of the week. Executive editor Abe Madkour, and media writer, John Ourand.

Bill King: I think we can all agree that the game went out like a lamb. Did the week, Abe?

Abe Madkour: Did the week? John, I'd be interested in your point of view. The vibe I got in Atlanta, from seven days there as least, it was generally quite positive. People in the NFL business, related to the NFL partners, media partners, sponsorship partners were all feeling finally that the NFL had a nice year, had put together some good wins between the ratings, between the young stars, between the closeness of the games. There was even a vibe, Bill, that I heard about, "Wow. Could [Dee Smith 00:09:34] and Roger [Goodell 00:09:35] really get together and expedite a collective bargaining agreement and an extension under the radar, more quickly than people really anticipate?"

Abe Madkour: The network executives, I'll have John chime in more on this, were all very happy about their ratings performance. This was, of course, going into the game. The game didn't perform to CBS's expectations, but we know why. The game wasn't very exciting at all. There's a lot of Patriot fatigue out there, for sure. And that impacted the ratings. When New Orleans loses half of its audience in that marketplace, you're going to see that impact nationally. When Los Angeles doesn't even register in the top five of your metered markets, you're going to feel that nationally.

Abe Madkour: But overall, John, I thought the league and its partners had to feel pretty good about the state of the NFL as they go into their 100th season.

John Ourand: I couldn't agree with you more. That's the most positive that I felt a Super Bowl week was, from a business standpoint, that I've seen in years. Probably two or three years. They came off a bounce back year, ratings were up, the game was good, you had good young stars. The Super Bowl itself, the ratings coming out of the Super Bowl, was a pretty almost a little bit of a depressing way to end it, but that doesn't dismiss the week that was.

John Ourand: So, from the TV network standpoint, they're all jockeying to figure out how they can keep NFL rights when those rights come up in 21, 22. I mean, that to me shows the strength of the NFL and just the amount of positive vibes, really, that was just running through the week.

Abe Madkour: And I don't want to underestimate the performance by the city of Atlanta. And John, you can chime in here. You have been to a number of Super Bowls. The reaction, the performance, the hospitality of the people in Atlanta, the organizational structure of the city and the Super Bowl host committee, the Atlanta Sports Council. I mean, I couldn't believe how smoothly and seamlessly this event operated. Everything was central. Everything ... The number of volunteers on the street asking people if they needed help, they needed assistance, or just a friendly greeting. It was unbelievable.

Bill King: There were people on street corners. I mean, that's one of the things ... If you were walking two blocks, three blocks away, you saw people in those shirts on street corners just in case you were looking for ... Just in case you might be looking for the College Football Hall of Fame or whatever you might be looking for, there was somebody to point you in the right direction. Really struck me, which gets us back to, again Atlanta as a Super Bowl host, that compact footprint they were able to create. The kind of things you saw in Indianapolis, for example. Just because of the way the city lays out, and in that case ... Here, you've got stadium, you've got arena, you've got all the hospitality so much around there. John, did that resonate for you as well?

John Ourand: I didn't know what to expect from Atlanta. I hadn't been to the two previous Super Bowls that were in market, and I say I thought that Atlanta, as a host city, was a fantastic Super Bowl host city. I love ... The things that I especially liked for Super Bowl week going into the game is walk-ability, and you can walk everywhere. And it made things extremely convenient. There were a mess of crowds. You tried to walk around Olympic Park on Saturday, and it was packed. And it was packed with just people feeling good about themselves and enjoying the Super Bowl. It was a really neat scene, I thought. I would be shocked if Atlanta doesn't get one ... I don't know what the near future means, but they're certainly back in some sort of rotation, I would ...

Bill King: No, I think they have to be. I think they absolutely have to be in the rotation. And speaking of the rotation, very interesting. I mean, Abe, you've done South Florida Super Bowls. John, you probably have too. You talk about a contrast in years past, right? I mean, as wonderful as South Florida is and as much as people love going there in January, there's a lot of reasons to like going to South Florida in January. Super Bowl's past you've always had am I in South Beach? Am I around Miami? Am I in Fort Lauderdale? There's events everywhere, and getting from one to the other is not always easy, nevermind traffic, but shuttle buses and all those other things. What do you guys think coming off Atlanta and getting ready to head to Miami in that regard?

Abe Madkour: That's a really good question, Bill, because I heard both points of view. One, there was a number of ... There a school of thought that people were very excited to get to Miami after the run of Houston, Minneapolis, and now Atlanta, where it would return the days to the warm weather kind of sizzle Super Bowl. There's a lot of opportunities for hospitality. There's a lot of opportunities for star power and celebrity power. Steven Ross will be an unbelievable host. But to your counterpoint, there was a lot of, "Wow, I'll be up in Fort Lauderdale while I'll be in South Beach. I'll be in Key Biscayne. I'll be downtown." So, there is more of the, I would say, extended Super Bowl hospitality roadmap.

Bill King: John, do the networks like it compact? Does it make it easier for them or do they like to have their own space?

John Ourand: It doesn't really matter. I mean, in Miami, they're all going to be in South Beach. So, I'm going to spend most of my time down there in South Beach. And I'll say this about Miami. They know how to throw a party.

Bill King: Oh yeah.

John Ourand: I think that's why everybody is really looking forward to that. But the networks were ... The sets in Atlanta were all around Olympic Park, but ESPN was out in Buckhead, and CBS, of course, was right downtown. So they can go pretty much wherever they want to go. There's no sense that they want to be in one sort of centrally located place.

Abe Madkour: And Bill, I want to chime in. Something you were very close to when you went to Atlanta last week, I think going forward in South Beach, I'm looking at the ticket market because I mean I got some notes as late as Saturday afternoon of emails for people ... "Do you want to go to the big game?" And some sources were like, "I never got this on a Saturday before a Super Bowl." I think there was some softness in the ticket packages because the Patriots played again and the Rams fans really aren't necessarily a mature fan base. And I also think ... I'm watching what on location does in Florida, they seem to iterate every year about what on location really is going to provide for the Super Bowl.

Abe Madkour: This year, as you know, they did those series of concerts, because they could do them at State Farm Arena, which is right downtown that Aerosmith. They had a number of big acts, I'm spacing out on the others, but those were pretty well attended. Some of the reviews of the performance were mixed, but they were well attended and they were definitely a hot ticket.

Bill King: And I'll tell you right now, if Abe comes out of that feeling like between the night that sort of stood over Super Bowl week from his perch on that building a few blocks away, the dominating image of the week if you were walking around Atlanta was the Bud Light Knight. So, if they came away between that and the experience of people at those concerts, if they really feel like they owned it, they're certainly going to want to look to do that in Miami. One of the interesting things though, to your point, is the Miami host committee has talked about wanting to make it a more compact experience. NFL and NFL on location want to make it a more compact experience and do that in South Florida, it'll be interesting to see how everyone responds to that.

Bill King: Because people are going to want to be in South Beach, and if they're not in South Beach, they may even want to be in Lauderdale. There are a lot of different tastes and reasons to be in different places. So, it is not going to be Atlanta. It's going to be different. We'll see what it turns out to be.

Bill King: Abe, you wrote a little bit this week about the commissioner and his handling of the controversy coming out of the NFC championship game, the way that was handled and the way people sort of responded to it. What do you think about that as we sort of, again, turn the page on this NFL season?

Abe Madkour: Listen, I thought what they did with Commissioner Goodell and the PR strategy of him through the season, which was really keep him a very low profile, reduce the press availabilities of him. Bill, I thought that worked out quite well. The season storylines were on the field and about the players and the games. I was struck by how much talk there was among media partners, sponsors, people associated with the game who were just disappointed in the league's reaction to the officiating after the NFC championship game.

Abe Madkour: And then to see Commissioner Goodell, John, you were with me at the State of the League address, and I think we were just both unfortunately feeling that his performance was ... It looked like someone out of reps, who was out of practice, and he just came across a little lawyer-ly, a little scripted and stuff. And I've seen Roger Goodell in much better situations. And I just feel like they still haven't figured out the best way to utilize him. And after 12 years as a commissioner, I think that still perplexes me.

Bill King: Yeah, especially coming out of [Cagley 00:18:09], but we thought that Roger was going to be exactly that, right? He came from a political background. He had been public. It was ... We thought that that would be one of the things he'd be very comfortable with. And I think he was for a while, but it got hot.

Abe Madkour: It got hot, yup.

Bill King: And I think that changes things.

John Ourand: No, after a State of the League address, you talk to people that were close, that are close to Roger, all of them are saying, "Gosh, I wish the Roger that we know, the Roger that's out and about and interacting with fans and just sort of out on a one on one situation can shine through in that." And I think that you said it best, Abe, that policy of not having him talk to the press, he looked like somebody that had no reps. He didn't know how to connect with some of the reporters asking the questions. He didn't know how to connect with a national TV audience.

John Ourand: He just sort of ... It appeared to me that he was in a conference room for an hour before that and he had developed his answers and it was Pavlov's bell, almost. Okay, we're going to talk about officiating. Here's my response. We're going to talk about Colin Kaepernick. Here's my response. And it just ... It didn't feel natural and it didn't feel like he connected with people, in my opinion.

Bill King: We're on the cusp of two big events coming up this week. We got NBA All Star weekend and the Daytona 500. So, let's take a few minutes to unpack those, particularly from a TV standpoint. John, they went on the same day for the first time last week, or last year, rather. You saw the Daytona 500 take a considerable dip in audience. You saw the NBA sit ... Sort of stay around where they are in that high seven million viewership number. What does the TV world think about those two going on the same day? No, they're not at the same time, but they're on the same day and during that week, they share mind share. How did the networks feel about that?

John Ourand: I don't think that they see those sports as having a ton of crossover. And I don't think that ... It doesn't really make much of an issue. It's a big event for Fox. The ratings for the Daytona and the ratings for NASCAR have been going the wrong way for a long time, but it's still a big number. And they're going to produce a big number whether it's up or down. Same with Turner and the NBA All Star game. It's something that they don't really ... It doesn't concern the network executives at all. And I've heard no talk about that, really, from a network ...

Abe Madkour: And I've looked beyond the television rating for the NBA All Star game. Because Bill, you've been. John, you've been. If you go to one of these things, it is the one time the NBA can celebrate its game. It's hard to do around their finals, because they're moving from location to location. They generally have three days in a city. Last year, it was L.A., where everybody around the game is there. Their players, their fans, the media. It is really just a celebration of the celebrity and the pop culture power of the NBA.

Abe Madkour: And you're right. I mean, the Sunday night game and the rating on Turner can sometimes can be a little flat, and the game sometimes can be an afterthought.

But it's really ... All the events and all the celebration of the NBA and the sport of basketball, and the history of the NBA that goes into that weekend.

Bill King: Yeah. I don't disagree with that. I just think from the general perspective of a fan, I think that there's lots to be excited around ... About, around the NBA, but look, the number shows it, right? It sits around the mid seven millions, where it's been ever since they moved to TNT. It just sort of is that is the number, even with a great game or a better game. Last year, that was still the number. I just wonder about the wisdom of, again, because I disagree, John.

Bill King: I do think ... I don't think it matters that day, okay? And I don't think there's a ton of crossover in terms of fan base. I don't think that that exists either. But you know what there is? There's X number of minutes in Sports Center. There's X number of minutes on an FS1 show. There's X number of minutes in any of those talk shows that sort of move the needle all week around conversation. And if you were there alone heading into a weekend, that's got to be better for you as a property than it is having to share the stage with the other property. I just don't see how it wouldn't be.

John Ourand: So, what's your suggestion? Do you think [crosstalk 00:22:14]

Bill King: I think Daytona's on the wrong weekend. I think that they dropped ... Look, they were at 13, they were at 11, they were at 11, and they dropped down to 9 last year. And that's not ... Whether they were in the wrong direction before, that was the worst number they had in five years. So, I don't think that was a good thing, and I think that if they really think about this long and hard, they might want to get off of it because I think it's very hard to promote during that week and get people's attention.

Abe Madkour: And to your point, Bill, they might when they re-look at the schedule for 2021. Absolutely.

Bill King: Well, that's it for that discussion. Abe, onto our weekly feature. What are you watching this week?

Abe Madkour: Bill, we've talked about a lot. So, I'm obviously watching All-Star game. We have it here in our home city of Charlotte. We have a number of people coming by our office. Daytona, it's a really pivotal year for the sport of NASCAR under new leadership. But I'm also looking at the Alliance of American football. It launched last Saturday night. I think I'm going to look for the quality of play. I'm looking at certainly the fan engagement, the in venue attendance, but I'm also looking about what type of innovations they're utilizing in technology to try to showcase the game, showcase their statistics.

Abe Madkour: We've got this league this year, Bill, and as you know, 2020, XFL comes on board. And I can tell you in Atlanta, there was a lot of talk about both of these leagues. Charlie Ebersol was very visible. Oliver Luck was very visible. And

fighting for mind-share, fighting for corporate sponsorships, fighting for media attention. So, that's what I'm kind of keeping an eye on this week.

Bill King: John, we got you here. What do you got?

John Ourand: You know what? We have a lot of events. We have the NBA All-Star, we have Daytona. Like Abe, I'm looking at Charlie Ebersol's league. It's not every day a new league launches. This is launching with a lot of press. It's launching on broadcast television. Who would have thought a brand new football league is launching on broadcast television? We have written so often about these start-up football leagues failing. Now, we have the alliance and we have the XFL in a year. This is probably the best chance that a startup league has to succeeding and I'm curious to see how they grow. I'm not really looking at this first number off the bat, but I want to see how it grows and how it develops. And I think that's a really fascinating story to follow for the rest of the spring.

Bill King: I'm going to go in a different direction. Look, I'm on NBA All-Star week, but I'm on it a little differently. I thought what played out last week with Kevin Durant was pretty interesting. And it was a good interesting look at the dynamic, this dynamic we now face of players who have become these major social media presences who communicate directly to fans. And got up in front of a room and basically called people out and said, "Wait a minute. You're reporting on this stuff, and I'm not comfortable with it."

Bill King: And the reason he's not comfortable with it is because he kind of has his own way. And he gets to go directly to the fan. It reminded me a little bit of when we sort of, as writers, we sort of started to see the room move toward ESPN and Sports Center. All of a sudden, guys didn't need ... They could control their own message by what they said because they knew it was going to be on Sports Center that night. We saw Jordan, we saw Shaquille, we saw even in that era of stars, a real change in the way players did that. I'm going to be very interested to watch this week what goes on between the players, the media, and social media.

Bill King: That's it for us this week. For Adam Stern, Abe Madkour, John Ourand, and our producer Anna Mason, I'm Bill King. And this has been First Look.