

## 7 KEY TAKEAWAYS

# Turbulence and Change in the World of College Sports

Kilpatrick Partner [Robbie Poplin](#) recently presented on the topic of “**Turbulence and Change in the World of College Sports.**”

Robbie offers up these key takeaways from his presentation:

1

Globally, sports is a \$3 trillion industry and asset class broadly organized into multiple domains that have core areas and that all break-down into numerous revenue-generating segments.

2

In the US, while professional sports leagues, teams and athletes constantly are tweaking their operating models to expand their footprint, commercialize their intellectual property, improve the fan experience and, at the end of the day, generate higher revenue, they reflect an acute level of relative stability when compared to the current upheaval in US college sports.

3

At the heart of the turbulence and change in the world of college sports are the staggering television and media rights deals being entered, the associated consolidation of traditional college athletic conferences, the increased ease of player and coach mobility, the payment of college athletes via revenue sharing and Name, Image and Likeness deals (as well as “Alston” payments for educational advancement) and the intense commitment of resources to unlock the “secret formula” to winning championships.

4

The stress placed on universities and their athletic departments is profound and different department and program/team operating models and budgets have been developed and constantly are being evaluated, modified and copied by others.

5

Congress is developing legislation via the SCORE Act that, if enacted, will seek to bring some order and oversight to the current situation.

6

Not surprisingly, the legal industry has driven much of this change (*House v NCAA*; *NCAA v Alston*) and will be central to the continued development of the landscape—commercialization of IP portfolios, media rights arrangements, lawsuits now challenging eligibility limitations and contracts entered by universities with their student-athletes, labor issues as students-athletes likely become employees of their schools and many others.

7

In addition to the legal basis for paying players and NIL, there are some practical pros and cons to paying student athletes:

- Some pros - for some, it is the only money they ever will make from playing sports; it keeps them in college longer, helps them stay in an environment where education is available if they want it, helps others going pro mature, develop and be better prepared for professional level, it provides more time for teams and players to evaluate whether a player is truly ready to try to go pro and it allows more schools to have a chance at winning---Indiana Football
- Some cons - it is mixing Universities and their academic mission with professionalism; kids are transferring 3-4 times, taking classes online and only spending 9 months on a campus before they leave for the next one; inasmuch as 98% of college athletes do not go pro, many are failing to build a meaningful relationship with a school; state by state legislation, which constantly is being updated to keep up with the competition, is impractical.