

Marianne DeMarco

COMM 773

Sports Communication & Culture

Activity 7B: Sports Supports the Wealthy. (10 points)

1. Should sports support the wealthy? Wealthy fans? Wealthy owners?
2. Locate at least 3 articles online or in the NYIT electronic library that explore recent examples of the controversy.
3. Develop a 500 word essay in which you discuss the issue, its impact and possible solutions.
4. Refer to the chapter and use the SAGE system
5. 5. DUE March 30

According to Forbes magazine, "owning a sports team can be a frustrating proposition." However, do the benefits more than outweigh the negatives? Yes balancing the egos of coaches and the players can be a lot to handle, however, their salaries more than make up for this. One example of this is the owner of the New England Patriots, Robert Kraft. He purchased the team in 1994 for the bargain price of \$172 million. Now after years of development this franchise is now worth \$1.2 billion. Not bad for a day's work. And...Kraft is not the only person that is benefiting from this team's development. Players, as well as, coaches and players benefit from franchises like the New England Patriots. After quarterback won three Superbowls his fortune totaled over \$1.4 billion dollars. Although he reinvested most of this money back into the team, he also has some additional real estate and other ventures.

Another team with a similar situation is Jerry Jones of the Dallas cowboys. Jerry Jones took is natural gas fortune from the 1970's and bought the Dallas Cowboys organization for \$158 millions back in 1989. They had a winning streak in the 1990's with Troy Aikman and Emmitt Smith and now today they are worth \$1.5 billion with their new star quarterback Tony Romo. Jerry Jones is re-investing his wealth back into the team with the construction of a new stadium. In addition, there are similar investors around the world that invest in this way in soccer teams, for example, Iceland's Bjorgolfur Gudmundsson and Italy's Silvio Berlusconi.

CNN's article, "How to be a Billionaire Sports Team Owner" lists several other professional sports franchises that are owned by some of these wealthy investors. The article states that in order to become one of these owners, you must already have some wealth to begin with. Rich DeVos, of the Orlando Magic started out selling All-Purpose Cleaner which became what we know today as Amway. His wealth is estimated at \$3.5 Billion. Robert L. Johnson, owner of the Charlotte Bobcats, founded BET and is estimated at a net worth of \$1.1 Billion (making him the first African-American billionaire in the US). Another one of these wealthy team owners is Malcom Glazer of the Tampa Bay Buccaneers and the Manchester United. He started out owning a small family jewelry business. He then invested in trailer parks and now owns oversees strip malls and nursing homes. Glazer made many attempts to break into the sports business arena. Finally in 1995 he outbid George Steinbrenner for the Bucs. One of Glazer's other investments is the owning a large stake in Zapata, an oil company founded by George H.W. Bush.

Glazer is not the only Sports Owner to be involved in politics. Politico magazine wrote an article, "Sports owners fund McCain, shun Obama" back in 2008 which highlights various sports team owners. Team owners are using their money to support various political campaigns. Four major sports teams and their families had raised over \$3.2 million dollar for McCain and \$615,000 for Obama. While both teams are avid sports fans, it appears that McCain was the favorite amongst team owners. So not only are these wealthy sports team owners using their profit to reinvest in their company, they are also using it to benefit their personal interests including politics.