NBA Media Conference

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Adam Silver Mark Tatum Rick Buchanan Byron Spruell David Weiss

TIM FRANK: Thank you all for joining us for our start-of-the-season conference call. We've got an esteemed panel today and I'll introduce them all to you here so you know who's on the call and available for questions. Of course, Commissioner Adam Silver; Deputy Commissioner Mark Tatum, Byron Spruell, our President of League Operations, Kathy Behrens, our President of Social Responsibility and Player Programs; Rick Buchanan, our President and General Counsel; and David Weiss, our Senior Vice President of Player Matters.

We'll start the call today with a few opening comments from the Commissioner and be glad to take any questions that you have. Adam?

ADAM SILVER: Thanks so much, Tim. Hey, everyone. Thank you for joining the call, and Happy Holidays.

We're excited to get our season underway with two terrific matchups tomorrow night on TNT, and of course our traditional games on Christmas Day, which are on ESPN and ABC.

As we look back at our restart in Orlando, no doubt it was a true team effort. The players, coaches, teams and league staff, our medical experts, our partners at Disney -- and the willingness of many of you to spend time away from your family and friends in the bubble, I thank you for that. The commitment from everyone involved was truly extraordinary, and while we finished the season without a single case of COVID 19, we believe it's untenable to return to a campus environment for an entire season, which is why we shifted our approach back to playing in team markets.

I've been asked many times why are you starting your season now, given the current state of the pandemic. It's a fair question. The short answer is that we're comfortable with the health and safety protocols that we've designed in consultation with the Players Association and our medical



experts, plus we would not be opening the season if we didn't believe it was safe and responsible to do so.

There are other factors, as well. Tens of thousands of people rely on our league and its related businesses for their livelihoods. We also feel a responsibility to our fans. People continue to look at sports as a break from the challenges of the pandemic and as a small reminder of what life was like before COVID 19 -- well, to the extent that games without fans approximate what is normalcy. It still is a piece of life I think we're able to get back for the time being. On top of that, sports provide common rooting interests that bring people together in unique and special ways.

Like so many other organizations, we'll no doubt face our share of issues as we continue to operate through the pandemic. But we're looking forward to getting back to work, and it starts tomorrow night.

Lastly, I also wanted to mention the two new entities we've created in partnership with the Players Association that are leading our collective efforts around social justice and racial equality. The first is our NBA Foundation, which is focused on driving economic opportunity in the Black community, with initial funding of \$300 million committed by our team governors. Last week we announced an Executive Director for the foundation, Greg Taylor, and a total of \$2 million in inaugural grants to seven organizations who are aligned with our mission to increase education and employment access for Black men and women.

The second entity, which came out of the work stoppage in Orlando, is our National Basketball Social Justice Coalition, which we are focused on meaningful reform around voting access, the criminal justice system and other areas. We held our first meeting last week with the newly constituted board of that coalition, which consists of team governors, players and coaches.

I believe we can make a real impact through these organizations. With that, my colleagues and I are happy to answer any questions. Thanks. Back to you, Tim.

TIM FRANK: We'll open it up to questions.

Q. Kind of a question in two parts. Obviously, the

league went to the bubble with the belief we were going to be safe, of course, and with the promise that there was going to be an unprecedented commitment to social justice and equality and was going to aid the players in that fight. Without a bubble now, what's your level of confidence that most teams are going to get to 72 games? And without that platform, what's your level of confidence that the social justice issue will remain a priority going forward?

ADAM SILVER: I'll start with your second question on social justice because I mentioned it sort of at the tail end of my opening remarks.

My level of confidence is high that we'll continue to focus on these issues because now we're standing up two organizations that previously didn't exist. I think there's also been a new awakening among the players in the league as to the impact they can have when they use the platforms they have to speak out on issues that are important to them.

So I think as a combination of the collective action that the league will be taking together with its players and coaches, and on top of that, players realizing the enormous reach they have of their voices, I'm very confident that our focus on social justice and racial inequities will continue.

In terms of your first question, our confidence that we'll be able to complete a 72 game season, we're confident that we can do it, and if we weren't, we wouldn't have started. I will say, though, that we do anticipate that there will be bumps in the road along the way. It's one of the reasons, for example, we issued the schedule just as a first half of the season. Waiting to see sort of how this plays out before we issue the second half of the season, knowing that it's possible that we may have to reschedule games along the way, knowing that this is something very new.

While it's true we made it through the bubble without any cases, we had no idea well, I wouldn't say no idea, but we didn't think that it was necessarily going to be that successful when we went in. It was something new, something that had not been done at that scope and magnitude before. I think we have some of the same trepidation going into the season, that while we've learned a lot from baseball and football, we're an indoor sport, so potentially different issues than those leagues well, baseball plays essentially every day, and that caused more disruption in their schedule. Football has the luxury -- to the extent there are any luxuries in a pandemic -- of playing once a week, so they have more room in their schedule to work through issues.

I'm confident in the design, in the people, led by Dave

Weiss, who's on this call, in establishing these protocols and the top notch, world class set of scientists and doctors who are advising us. But I've also learned, and I've said this before on calls with you all, that we'd be making a huge mistake if we didn't remain humble.

Q. Outside of the players' health and making sure the protocols are taken care of, what are some of the things as the Commissioner that you're looking at for this unusual season for your league? And what are you wanting to take out of this other than, again, the player health and safety protocols, but there has to be something from a business side that you're hoping to get out of this as you're hoping to get back to whatever new different this is going to be?

ADAM SILVER: That's an interesting question. I've been more focused on the day to day in my job and haven't really had the opportunity to put last season, and particularly the early days of this season, into any real perspective. For me, it was a real accomplishment that we were able to crown a champion at the end of last season. I'm most focused right now on our ability to work our way through this season and similarly finish with a full set of playoffs and a 2020 2021 champion.

I think if I stepped back and thought about, to the extent there are lessons that we will learn in the pandemic, just as we did in the bubble, we're looking at new ways to produce our games, with the recognition that even if we were fortunate enough to have arenas full of fans right now, that would still be a minuscule percentage of people who are consuming NBA basketball.

One of the things we think a lot about at the league office is given how global this game is, how can we use all these new technologies to bring fans closer to the game, to present our players as the multidimensional people they are. Certainly part of the answer is social media. But to me, the ultimate challenge is how does social media get used in conjunction with the live game experience, because I know for me, one of the things I miss the most about life as we knew it during this pandemic is access to live entertainment. In my case, not just sports but music, theater, all those things are to me such an important component of my life. I know from the roughly 20 million tickets we sell over the course of a season, it's something critically important to other citizens, as well, that ability not just to experience something like an NBA game in isolation but to be part of a larger community. That's my reference in my opening remarks to the power of sports as a convening factor. It's like the arenas as town halls of communities.

What I spend a lot of time thinking about is that's wonderful

for the people in those cities that happen to have an NBA team and for the 20,000 people who are not living in a pandemic who can make it into the games, but then how can we use that same convening power on a global basis. For example, we know we're getting close to almost 2 billion people who are consuming the NBA in some way on social media on a global basis; how can we create real community around the sport and these players? So to me, that's a business challenge I'm thinking about all the time.

Q. The vaccine, how is that going to play into you guys' hands? I'm sure in a good world that you would love to have playoff revenue come in because that's a nice bit of change, but will the vaccine at all play a part in how the guys are going to facilitate that plan, if it is to be?

ADAM SILVER: You know, it's unclear to me right now. It goes without saying that in no form or way will we jump the line. We will wait our turn to get the vaccine. When you think about the logistical feat that now the federal and state governments are undertaking, where if every citizen ultimately requires two doses and with a population of over 300 million, it's beyond comprehension when you start to begin to think about the logistical challenges of transporting and distributing this vaccine.

It's my hope that when we are eligible that members of the NBA community will want to get vaccinated, and it's our plan to be involved with governmental efforts in terms of public messaging as to the benefits of taking the vaccine.

And more important than the playoff revenue, as much as we'd like to see that, the gate revenue, of course it's the health and safety of everyone involved. To me, my sense is there's a large group out there I would put in the category of undecided about the vaccine. There's one cohort, I understand, who strongly are anti vaccines, and I think there will be opportunities to break through that. But I think there's a much larger group of people who are just sort of taking a wait and see attitude, and it is my hope that we see the potential workers getting their vaccines, healthcare workers and then the elderly, and then people are seeing that this is happening safely and successfully, that the NBA community will then welcome vaccines when it becomes our turn.

Q. You mentioned the fans and the fact that you are starting the season almost without them. How much of a priority is having them back in the arenas?

ADAM SILVER: It's a huge priority to get fans back in the arenas, but we want to be realistic about it. six of our teams will be beginning the season at least with some fans, and it's my sense that we're going to learn a lot once

we have regular-season games with fans there. There are lots of issues around how fans will move in and out of the arenas, how our protocols, newly put-in-place protocols, in terms of physical distancing of fans and mask wearing, will fans be able to eat and drink while in the arenas, as well. There's all these very new issues for us. I think that as we get our sea legs, with some teams bringing in fans, other markets see the success, we hope, of bringing in at least an acceptable number of fans early in the season, that it'll mean that we can begin having more fans in our buildings.

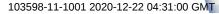
But at the same time, I recognize that until there's mass distribution of the vaccine, it's unlikely that we're going to return to a point where we have full arenas. And putting aside the economic considerations that the prior questioner raised, it's part of the NBA experience. I mean, everybody who's followed this sport ever since they were a kid is aware of the so-called "sixth man," the home-court advantage, fans that come to scream and yell and sometimes boo, but to really participate in the game.

Even when you talk to our players, when we were all down in Orlando, I mean, they desperately missed it. I think everybody is accepting that this is the best we can do under the circumstances. To me, maybe this is true of all big-time sports, but I think I know for me particularly with the NBA, when I go to a game, the crowd is an integral part of the experience. I think we're anxious to find ways as soon as we can safely do so to get fans back in our arenas.

Q. Two follow-ups on fans in buildings question: Assuming there's no fans at all at any time this season, can you guys share what you think the range of the projected loss might be in terms of revenue? And then second to that, Dr. Fauci just talked about the general population being able to get the vaccine sometime in the March-April range. That's still well in advance of when your postseason would be. If Dr. Fauci is right in terms of the timeline for the general population to start getting vaccinated, does that at least open the door to the possibility of full arenas in the postseason?

ADAM SILVER: Let me begin by, I think your initial premise was assuming no fans, at least as of today, and recognizing circumstances could change even day to day, six of our teams are planning to begin the season with some number of fans. It's always what we've said before in terms of our projections.

At an extreme, if you had played the entire season, including the playoffs, with no fans at all, that would be a decrease of roughly 40 percent in our revenue. So then it's of course just a continuum along the way. I think beginning



our season with some fans, as I said to the prior questioner, even putting aside the economic impact, it's relatively small, obviously, six teams with limited fans. Having said that, though, we're excited to learn from those experiences, and it may be that once some teams do it and it's demonstrated it can be done in a safe way for all the participants, it will cause some public health officials to maybe rethink sort of the rules in place in their markets, and even for some teams that currently could allow fans but at least haven't decided to do so yet might also be more open to bringing some fans into their buildings.

In terms of the rollout on the vaccines, we do have a world-class group of scientists and doctors who are consulting with us and with an internal group led by David Weiss. As you might imagine, what they're saying is not all that different than what's being said publicly, because there's not many secrets when you're looking to vaccinate 330 million people or so.

I think if everything went according to plan, it sounds like a March-April time period would be around when general fans, frankly people like us, would potentially be eligible to get vaccinated. But I think a lot has to work really well for that to happen, and so we certainly didn't go into the season from an economic standpoint banking on having full arenas.

I think to the extent that could happen, it would be a wonderful sign for the country, putting aside the NBA. But it's very much a wait and see approach.

Q. I'm wondering if you all after seeing what happened in the bubble are reevaluating the standing mandate around the national anthem, and if not, are you having conversations with teams about whether or not you will be enforcing that, and how so?

ADAM SILVER: Thanks for the question. We're of course talking on a regular basis with our teams, our players directly and our Players Association about the protocols around the national anthem. As I've said before, that's been a rule on our books since before even David Stern was the Commissioner. It's a national ritual of sorts that I think is something that I hope personally isn't lost, because there are very few things that bring us together these days.

It's my expectation going into the season that we're going to return to the practice that's been part of this league for many decades, and that is standing for the national anthem.

Having said that, we have a partnership with the players, and so we've all had these discussions. It's my hope that if we do something in terms of deciding to rethink it, it's done collectively. There's always been this notion that this league is bigger than one team, one player, one league office. I think it's why we've been so successful over the years, because we really do come together and work through in some cases very difficult issues.

I also think that it pains me a little bit -- putting aside the very legitimate reasons for protests -- when we as a sport are participating in a practice that has become so divisive in our society.

You know, it's a complicated issue. Again, it's one I'm sure in which there will be ongoing discussions with our players and Players Association over the course of the season and then going forward. But I guess it's at least my personal hope that it's a practice and ritual that can continue in a time when there's so many other aspects of our daily lives that are pulling people apart.

You know, we'll see. As I said, at least so far, with the exception of one game in the preseason, our players have elected to stand. I'm certainly not focused in any way right now on discipline. I recognize that this is a very emotional issue on both sides of the equation in America right now, and I think it calls for real engagement rather than simply rule enforcement.

Q. The NBA along with the NBPA have suspended random drug testing for marijuana this season. I'd like to see where you stand given where half the league plays in jurisdictions where adult use marijuana is legal. What are you looking for in terms of potentially removing it from the banned substance list or at least eliminating the penalty for a positive marijuana test like some other leagues have done?

ADAM SILVER: It's an ongoing discussion with our Players Association. What we decided jointly was that these are unusual circumstances right now, and let's put off for another day the longer conversation about whether marijuana should still be on a prohibited substance list.

To me, when it comes to penalties around drug use, it's really more of an indication of a failure. I mean, we never you hope that you never have to impose any sort of discipline for substance abuse, and they're there by collective agreement with the players that this is something these rules we believe make for a better league.

Now, I recognize that society's views around marijuana use have changed dramatically since these rules were put in place, and in many ways the suspension of random testing this season is a recognition of that.

Having said that, as you pointed out, putting aside the

pandemic, our players travel for a living, and one of our concerns has always been, and I know the Players Association shares this concern, that if our players are traveling from jurisdiction to jurisdiction, from jurisdictions that do not have prohibitions to jurisdictions where there's still criminal penalties for possession and use of marijuana, we want to make sure we're not creating a trap for our players and putting in place rules that will put them in the crosshairs of the law.

Like most things that we deal with, not necessarily simple solutions. I will say as a general matter, while marijuana has been taken off our list for random testing, it doesn't mean there isn't still a concern from the league that marijuana, no different than alcohol, can be abused, and that it's something that we want to play close attention to, especially given the incredible stress that our players are often under, and particularly given the stress of playing in a pandemic.

We'll continue discussing it with our players and presumably we learned a fair amount as we went through the bubble around this substance because we had suspended our rule then, as well, and I think now under something a little bit closer to regular league conditions, players living at home, players traveling, we'll see how it goes this year and then we'll revisit it with the Players Association.

Q. I was wondering, what, if anything, is problematic in Johnny Wilkes' Clippers lawsuit? I'm sure you read it, and I know you're investigating, but what in there would be problematic?

ADAM SILVER: You know, you gave me such an opening to hand this question over to my lawyer. You mentioned lawsuits, so I'm going to ask Rick Buchanan to jump in obviously who's read the complaint and is expert on these issues. Rick?

RICK BUCHANAN: Hi, everybody. Yes, we've received a copy of the complaint and are in the process of reviewing it. Obviously at this point, as with any lawsuit, these are just allegations.

We have rules in the league around when certain conversations are appropriate with a player, as I think most of you know. We have rules in the league about requiring that only compensation be provided to players in the form of player contracts and not in any other way.

If there were a circumstance in which a player were receiving value or a representative of a player were receiving value outside of the scope of a contract, that could be potentially a rules violation. But I think the primary issue at this point is that this is only just upon us, and we are reviewing this with cooperation from the Clippers, and as the facts develop, we will proceed accordingly. But at this point it's a little bit premature to make any judgments as to whether any of these allegations will be borne out.

ADAM SILVER: I'll just add, we take due process incredibly seriously in our league, and while it is our job to investigate when allegations are made, there's always a presumption of innocence.

Q. The NBA in recent months has worked to get revenue for teams, given everything that's going on in the pandemic, and as you've alluded to earlier the revenue you guys have lost from lack of fans at games, et cetera. With that in mind, has there been any change to the league's position on the possibility of expansion, and if not, what would it take for that position to change?

ADAM SILVER: There hasn't been a change on the league's position. I think I've always said that it's sort of the manifest destiny of the league that you expand at some point. I'd say it's caused us to maybe dust off some of the analyses on the economic and competitive impacts of expansion. We've been putting a little bit more time into it than we were pre-pandemic. But certainly not to the point that expansion is on the front burner.

You know, we're very appreciative of the markets that have indicated an interest in having an NBA team. One of the issues for the league office, and this comes up all the time in terms of competitiveness, it's not a secret that we don't have 30 competitive teams at any given time right now when you go into the season, measured by likelihood of ability to win a championship.

One of our focuses as the league office is always on how do you create better competition. So that's one of the things that we continue to think about as we consider expansion.

I would just say as an aside, it's always quite remarkable to me that you have a league that's at the top of the basketball pyramid and therefore attracts the very best players from all corners of the planet, and yet once the players come into the league, a select few fairly quickly stand out as being some special talent above and beyond the others.

I think therefore then the issue becomes in expansion, how do you fairly distribute those players potentially to expansion teams, as well.

... when all is said, we're done."

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It's an economic issue and it's a competitive issue for us. So it's one that we'll continue to study, but we're spending a little bit more time on it than we were pre-pandemic.

Q. What are the thresholds for game suspension, a season stoppage at this point in terms of outbreaks? Are there firm numbers on this, or is it going to be a revolving sort of case-by-case basis?

ADAM SILVER: There are not firm numbers on this. I think it's somewhat similar to the guidance we were given when we went into the bubble. The view is I think if we found a situation where our protocols weren't working, meaning that not only did we have some cases of COVID but that we were witnessing spread either among teams or even possibly to another team, that would cause us to suspend the season.

I think we are prepared for isolated cases. In fact, based on what we've seen in the preseason, based on watching other leagues operating outside the bubble, unfortunately it seems somewhat inevitable. But we're prepared for all contingencies. The only thing I can add is that I've acknowledged it was a mixed sort of health and safety and economic decision to start our season, meaning that health and safety have always been our highest priority. But we recognize that if we hadn't started the season, there's also very dire economic implications, not just for the immediate members of the NBA community but those tens of thousands of jobs that are dependent on the league. The decision tree that we will look at in terms of suspending the season will be solely a health and safety one. If at any point we no longer believe that it is responsible to play, we will halt the season.

Dave Weiss, anything you want to add to that?

DAVID WEISS: I think that's right, just that this is a conversation that we have regularly with our medical experts, infectious disease physicians, epidemiologists and the Players Association to stay on top of this.

Q. If I can go back to the six teams that are going to play games with fans in attendance, given the spike in the numbers of cases in all NBA markets, to what degree are you comfortable with five or six of the franchises starting the season in that way, in a time when 24 or 25 are choosing not to?

ADAM SILVER: Well, ultimately under, call it, the "federalistic system" that the NBA operates, it's a recognition by the league office that one-size-fits-all solutions don't necessarily make sense given the varied conditions across the country. At least for now we're satisfied that these decisions are best made market by market in conjunction with local health authorities that at least ultimately have to sign off on allowing fans into arenas.

And I'd say it sounds more concerning when you define it as an experiment, although I recognize it is of sorts. I'd only say that given the dramatically reduced numbers of fans that we're going to have in our arenas to start that I think there is -- it's not as if there isn't any science around the physical distancing of people and mask wearing, even in indoor facilities, particularly when those fans will not be eating and drinking in their seats.

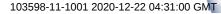
You know, again, as you've said, circumstances could change very quickly in this country or in a particular location. I think in that case, we and the teams are in constant touch with those local health authorities just to make sure that they are comfortable with what we're doing. It's my sense that once we do begin games with fans that local health authorities, national for that matter, will be paying a lot of attention to it, and I think to the extent that they see practices that either they think should be accentuated or other things that we should be modifying, we will hear directly from them.

We certainly want to be responsible. I'd also add in that it may be that in the same way that we demonstrated what we could safely and appropriately do in the bubble, we're of course not the only form of entertainment that exists inside arenas. So it may be the case that if we're able to demonstrate that despite the pandemic, at least a certain number of people can safely come into our buildings, it may afford other indoor types of entertainment, concerts, other sporting events, also to operate in a safe way. I think we'll learn a fair amount relatively quickly once the regular season starts.

Q. You said at the top that a return to a campus environment was not tenable, but there was some discussion, at least early on, of mini-bubbles or pods. How serious, if at all, were those discussions? And is there any kind of bubble-like fallback if the virus becomes overly disruptive?

ADAM SILVER: A fair point. I think when I was saying "untenable," to me I was being somewhat extreme by saying we weren't going to cause people to live for eight months in the same type of campus environment we had down in Orlando. But we did look at and continue to look seriously at alternatives.

That includes pod play, although often it sort of depends how pods are defined. Pod play doesn't necessarily mean bubbles. It often is used just to mean more regional play, and if that were the case, we'd be dealing with many of the



same issues in terms of travel and players living at home.

We have continued to look at mini-bubbles. Some of you may have heard we're even potentially looking at a campus-like environment -- not clear it'll be the same protocols we had down in Orlando -- for the G League to potentially play a portion of its season. We're not ruling anything out. I think if we were ultimately to return to a bubble-type environment, again, what we've heard from the players and the other participants was clearly untenable is the long stretches of isolation.

I think that's unrealistic. I think for all our community, going down to Orlando as a one-time event, sort of just working their way through highly unusual circumstances, was doable. I just think that when I think about the stresses on our players and their families, the separation that comes with that, that's where I'm thinking untenable.

As you might imagine, we have lots of alternative plans in the drawers, and depending on how this goes, we'll look at other alternatives if we need to. But at least for now, this seemed to be the best balancing of interests.

Q. One question that's come up as it relates to the Raptors and being in Tampa is if there's going to be any kind of compensation from the league for the expense they're going to have to incur. And then as a follow-up, just to clarify, the markets that do have some fans in buildings, whatever revenue that generates, is that going to collectively pool or are some of the markets going to come out ahead of this, however slightly, better than others?

ADAM SILVER: The answer to your second question is we are not planning to pool the revenue that teams generate for those that have fans directly, but because of our revenue-sharing system, a portion of that revenue will end up getting pooled just by virtue of the way the formula works.

The answer to your first question is did Larry Tanenbaum ask you to ask that? [Laughing] Everything is on the table, I think, with our teams. We recognize that at the end of the year that we'll assess sort of all the special circumstances for all of our teams.

One thing wonderful about this league is that while the 30 teams' goal is to crush each other on the court, off the court they're business partners. I think it's sort of the secret sauce behind the league's success over the last decade in particular, sort of a generation of owners who are really fond of each other and want to work to support one another and also recognize that the league is only as strong as its weakest team.

The revenue-sharing plan that we have in place to begin with that redistributes revenue from the higher-grossing teams to the lower-grossing teams. But it's my sense that to the extent that any team, and now we have the Raptors who are dealing with extraordinary circumstances, that their partners will look favorably on assisting them in whatever ways are necessary.

Q. I just wanted to ask you, Bucks fans have been asking me this all day and I want to try to answer as precisely as possible. Why on the Bogdan Bogdanovic situation did that rise to the level of tampering sanctions, and since it was a purported sign-and-trade, why were the Kings not sanctioned at all?

ADAM SILVER: You know, just because you asked for a precise answer, I'm going to let Rick Buchanan start as our General Counsel and then I'll jump in to supplement whatever he says. Go ahead, Rick.

RICK BUCHANAN: So just for clarity, the rule at issue here is a rule that requires all teams to start having conversations about free agent contracts at the same time, loosely defined as gun jumping, the idea that the flag for free agency goes down at the same time and everybody should start having those conversations at the same time for reasons of competitive fairness.

This is not about tampering. Tampering is the rule where you're having impermissible contracts with a player who is under contract to another team.

This is a very important rule that all the teams begin the free agency process at the same time. It was a rule that in the summer of 2019 was called out by our teams as something that was being broken more often than teams were comfortable with, and they felt like there needed to be more strict enforcement of this rule to ensure that teams that weren't breaking it weren't falling behind competitively. We committed to doing that.

And so here the violation was that the team had conversations about a free agent contract with the representative for this player prior to the time when the CBA permitted them to do that, and as a result they were penalized.

ADAM SILVER: You can see why I had my lawyer answer. I would just add, and I'd say this to Bucks fans and all NBA fans, as Rick mentioned, we announced a new standard during the summer of '19 because again, as Rick defined it, he called this gun jumping as opposed to tampering, because there was a view that this was somewhat

prevalent in the league and we said that if we catch it we're going to penalize a team. Obviously, in the summer of '20 we were still playing, so this was the first round of free agency under our new rules. We saw a violation and we acted and penalized the Bucks. It's our hope that that will act as a deterrent to any other team who would attempt to engage in similar type behavior.

Q. Can you share anything more about plans for the G League in terms of a potential bubble and participation in it and any other impact on markets involved in the G League?

ADAM SILVER: Absolutely. I spoke a little bit on the general concept, but I think it's a great opportunity for everybody to hear from the NBA's Deputy Commissioner, Mark Tatum, who ultimately oversees the G League. Mark?

MARK TATUM: Thanks, Adam. On the G League, as Adam said, we have been exploring different options. What we heard from our NBA teams was that it was important to them to have a pool of players who are playing, who are ready to be called up, who are in a health and safety protocol, keeping those players safe, a place where they could be able to put players on assignment and call players up.

So we've been working with Shareef Abdur-Rahim, the President of the G League, to figure out how we can do that in a healthy and safe way. We're finalizing plans on ways to do that, on potential locations, on the number of teams that are going to participate in that construct. But again, I think we're focused on making sure that we can put together a competition or a pool of players that's going to keep them healthy and safe, keep them in shape and keep them available to be able to either be called up to their NBA team or for NBA teams to be able to assign players down and into the G League.

We're also talking to the Players Association. As you may recall, the G League formed a union this year, so we're working through many of the details with the Players Association.

Q. Just curious, number one, you spoke a little bit at length about players not willing to go extended periods of time in a bubble. I'm curious given the fact there's no real home-court advantage, is it on the table for maybe a playoff bubble so teams don't have to travel back and forth across the country for games that aren't going to likely be played in front of fans? Second, as an aside, where do you and the league stand on the dynamic between James Harden and Houston brass in that he's publicly requested a trade,

appears to have held out for some time and doesn't necessarily want to be there despite the fact that he's one of your faces of this league?

ADAM SILVER: I'll start with the bubble. Yeah, you know, as I said earlier, there are circumstances where if it were over a shorter period of time, we would be open to returning players to a bubble, and I think players would, as well, if that were the only alternative to otherwise not playing.

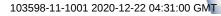
I will say, though, that as we move on in the season, it's our hope that given the planned rollout of the vaccine that we'll be going in the other direction, that it'll become increasingly more likely that there will be a return to a home-court advantage, that come May, June, July, which right now our season is targeted to end mid-July, that by that point there really will be a meaningful opportunity to have fans in our building.

If that were not to be the case -- and again, I think despite very optimistic projections, this is an unprecedented rollout of a vaccine over a relatively short period of time. So if there wasn't a true home-court advantage, I think given the impact of travel on players, it's something that we would definitely look at because it may be that, as I said earlier, that given that the virus doesn't have the same impact on all communities at all times, there might be certain geographical locations in the country that are safer to be in than others, so that also may lend itself to wanting to play at a neutral site. All things that we will continue to look at, depending on how the season rolls out.

In terms of James Harden, I don't believe he made a public trade demand. I know that a lot has been written about his situation, and I believe the last thing he said publicly is that he's focused on the game and being in Houston at the moment.

I guess in a general way, though, because I recognize those reports didn't come out of thin air, that to the extent that a player is unhappy with his team or a team is unhappy with a player, it's always the league's strong view that those matters get handled behind closed doors. I mean, we recognize that it's part of the dynamic of any relationship, and employer-employee relationship, that occasionally things go sideways, and especially when there are changes around a franchise. But again, the expectation is that everyone is professional and that team personnel have an opportunity to speak directly to each other, including having in some cases difficult conversations with each other. But those conversations, those disputes be handled privately.

James is a great player in this league. But he's also a



player under contract, and there's responsibilities that come with agreeing to a long-term contract. He's very well aware of that.

Again, I'm hoping that things settle down as we go into the season and that he has another great year.

Q. I wanted to ask about the decision not to test for marijuana this season; what went into that and will that be something that's considered or be a permanent decision? Also, the reality of getting your top players to play in the Olympics, considering this tight schedule, are there alternatives? How will you kind of deal with maybe some guys backing out because it's just simply too close to the end of the Playoffs?

ADAM SILVER: I'll deal with the second question first. In terms of players playing in the Olympics, I don't see it as our role to try to get our players to participate. USA Basketball is an independent organization which oversees our National Team and our Olympic competition, and of course the vast majority of our players who participate in the Olympics play for countries other than the United States.

And so one of the reasons, though, that drove our decision to start when we are and then to finish in July pre-Olympics was to give our players the opportunity to participate in the Olympics should they choose to do so.

But I see that very much as an individual decision. Clearly in the case of the United States, we have a deeper pool of talent than other countries. So I think it's less likely -although it will impact the U.S. team, it affects them not as dramatically as it will some of these other teams, where if a particular player or two doesn't participate, it could decimate a team.

But again, I think at the end of the day these are individual player decisions. I'm sure if I were in the shoes of a player or if I were advising a player, I'm sure they will be paying a lot of attention to where the virus is by mid-July, the conditions under which they would be playing in Japan, of course, where the Olympics will be taking place, and also the wear and tear on their body.

Again, our playoffs are slated now to begin on May 22, so as is typically the case, half our players or slightly less than half will no longer be playing as of mid-May or so. For those players, they will have an opportunity for far more rest than a player who hypothetically could be playing literally days before the Olympics are scheduled to start. You could imagine a player in that situation saying that it's just too much wear and tear on their body to go forward into the Olympics. I'd also say it's my expectation that our federation, FIBA, together with the IOC, will also work with us on potential accommodations, even in terms of when rosters would otherwise need to be submitted, recognizing that they're going to need to be more flexible and work with us this season, given how much uncertainty there is around the virus.

Your marijuana question, I spoke a little bit about it earlier in the call. I will only say that, number one, we haven't yet addressed the longer term issue with our Players Association. I think the conversations that Michele Roberts and I have had were first around random testing in the bubble, and then once we got through the bubble and we had no significant issues, I think then Michele's view was let's continue that protocol in place for this highly unusual season, as well, and that was something that our labor relations committee and our other team governors agreed to.

I would only say that the fact that marijuana is no longer going to be on our random testing list still doesn't mean it's something that used to excess doesn't concern me and the league, I think, but I'm not sure whether marijuana should be treated differently than other substances, including alcohol, that are otherwise legal that players could be using and creating issues around.

I just think to me, it's just something that we've got to watch for closely, recognizing that these are very stressful times for everyone in our country, and for people who are expected to perform at a high level multiple times a week, who live to a certain extent in a fishbowl, are being tested on a daily if not more frequent basis and all the anxiety that comes with that, I recognize that I'm not trying to create -and I think I speak for both Michele Roberts and I when we say we're not looking for opportunities to further penalize guys during stressful times.

So I think this was in my view a one-off decision for the season, but I'm sure it's something we'll be addressing longer term with the Players Association.

Q. You're obviously really committed to player rest and recovery with the reduction of back-to-backs and four-in-fives and the lengthening of the All-Star break. Obviously, this is a real quick turnaround from the end of last season. We saw LeBron say he was surprised that it had come so soon. Are you confident that this break is what the players needed, or is it just a matter of bills to pay and you can't pay them if you're not playing as soon as possible?

ADAM SILVER: You know, let me answer a little bit and

then I would love Byron Spruell, our President of Basketball Operations, to jump in on this. I would always say, of course economics are a factor, but nothing we do particularly this season is about just bills to be paid. I think, yes, I recognize directly there is an economic component, of course, of this league, but I think I begin with the broader issue -- and I truly believe this -- that people want to work. Just as everyone on this call is working right now, as I'm working and my colleagues in the league office, players want to work. Even for LeBron, I'm sure on balance, especially given that he [with the Lakers] and the Heat played all the way until mid-October, he would love another month off, but I also think LeBron recognizes that we're all trying to balance lots of factors here. I think he has confidence, also, in Michele Roberts and the Players Association that they ultimately concurred with the league that this made the most sense under the circumstances.

You know, I also think it's a reminder, while it's the shortest turnaround, we're also dealing with a situation where eight teams haven't played games in over nine months, and when you look at the six teams that came down to Orlando but didn't make the playoffs, they won't have played games in over four months. And then I could sort of go down the list in terms of the break. Add to that that we have a four-month break that every player in the league took in this last calendar year.

To me, it's a little bit misleading to do an apples-to-apples comparison to say, well, usually the season ends in late July and then games don't start again until early November. Everything is unusual about what we're doing.

And again, no decision we have made has been made without deep consultation and ultimately agreement with the players and the Players Association. I've got to balance all those competing interests. My sense from talking to the guys is they are ready to go, and you can imagine, too, that it's not just because this is what they do and they're the best in the world at it, but I think like most people, they want to get out. They want to try to live life as normally as possible.

Byron, do you want to jump in? Anything you want to add?

BYRON SPRUELL: I would add I agree with the excitement the players are showing in getting back on the court, particularly those that didn't play in the bubble. But even those that did, sort of team to team, the momentum, a lot of things that were experienced there, this great quality of play for teams and individual players, and we're going to continue even with the short turnaround.

But the other thing I'd say is there's really been an interest sort of around the schedule itself, being able to do it in two



parts and make adjustments along the way. Even the density of it is not that much different than what we would otherwise experience. We tried to build in at least 25 percent less travel, so it's a little bit different from the bubble, yet not as extenuating circumstances in terms of travel. We tried to build all that in around the schedule, as well. With all of those factors, I agree with Adam, that it's just time to get back to it, maybe get back on track. If we're successful going through the 72-game schedule through the end of July, getting back on track with the Olympics and then for the summer and the next season, too. So a lot of factors went into it, but I'd agree everybody is really excited to get back to it.

TIM FRANK: I think that's going to be it for today. We appreciate all the time and for those of you joining us and everybody on our NBA panel. Enjoy the start of the season.

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