

# NBA Media Conference

Wednesday, March 29, 2023

New York, NY, USA

## Commissioner Adam Silver



ADAM SILVER: Appreciate your being here today. Just finished two days of productive meetings with our Board of Governors. A lot of talk about the competition. We have what I believe is an all-time record with a week and a half left in the season, 26 of our 30 teams still at least have a mathematical chance of making the playoffs. I think that's in part due to the play-in tournament that we created and also amazing competition around the league and enormous depth on our teams.

We talked about the business a fair amount, the changing media landscape, the situation with Diamond Sports right now, which is affecting 16 of our teams.

We talked about our attendance, which amazingly, we're on track to set an all-time record for the highest attendance on the most sellouts in the history of the league.

A lot of positive news in the room.

In addition, we talked a bit about collective bargaining. As you all know, we have a deadline of midnight this Friday for the opt-out of our current collective bargaining agreement, which both sides, we and the Players Association, are using as a deadline. We've been negotiating for well over a year on this cycle with them. Still a lot to go.

In the next few days, there's just something about collective bargaining where deadlines are necessary, and seemingly sides tend to hold their best positions until the very end, so my sense is this will go down to the very end. We're going to turn back this evening to negotiating with our Players Association.

With that, happy to answer any questions.

**Q. You've made clear a lot of times that you're not going to negotiate publicly. Since we last talked to you in Salt Lake, has there been what you would consider progress? Is there cause for concern at this point? June 30 is only three months away. Without tipping your hand much, what is the level of concern you have at this point?**

ADAM SILVER: Right, and just to clarify, of course, June 30 is the end of the collective bargaining agreement as

opposed to the opt-out deadline this week.

The answer to your question is "yes," we've made progress. There have been a lot of issues on the table. We've separated them into different areas having to do with player health, the system issues that we negotiate, the economics. We've checked the box, I think, for both sides in various categories where we acknowledge we've come closer together.

There still is a gap, though, between I think certainly where we feel we need to be in order to get a deal done. I'd say throughout, the discussions have had a very positive tenor, continued the strong sense of partnership that we have with our players and the Players Association. I think everyone understands what's at stake and that while, as I said in the opening of the press conference, there's a lot of positive things happening around the league, we are also looking at the Diamond bankruptcy, which is impacting 16 of our teams, and there are some macroeconomic issues, whether they be higher interest rates, recessionary pressures, bank defaults. All of those issues are in the mix when you're negotiating a collective bargaining agreement, especially when you're projecting out several years, which we are.

Again, I think both sides understand that this is a window of opportunity that we should try not to miss, because if we don't have the deal done this Friday, as you said, the next real deadline is June 30, but that's the very end of the season.

The whole idea behind these early deadlines were to try to avoid going right up to the line.

**Q. Can you foresee a deal getting done by midnight Friday?**

ADAM SILVER: I certainly can foresee one getting done, and I hope we do get one done. Because obviously I'm only one side of the negotiation, it's difficult for me to place odds on whether or not that's going to happen.

**Q. Just to follow up on that, what is the league's history with the opt-out, and I'm wondering with the**

**ASAP** . . . when all is said, we're done.®  
**sports**

**previous negotiations that you've been close to, has it ever been exercised? And does the nature of it suggest that there would have to be a level of rancor or frustration to actually opt out?**

ADAM SILVER: "No," is the answer to your question about rancor or frustration. The way this collective bargaining agreement was designed, same as the last one, we intentionally placed these early opt-outs to avoid going right up to the line at the very end of the agreement, where then you're left with this period potentially where often that leads to work stoppages because there's no agreement in place.

The idea here was taking into account the history of our negotiations, particularly with this Players Association. As I said, it may always be part of collective bargaining where sides need deadlines, and to the extent that you can create an early deadline, which we have here -- of course we extended it, right; it was initially December 13 but got extended to now. I think both sides found that helpful.

But the fact that if we don't have an agreement done and we were to opt out, and we've made clear to the Players Association, made clear publicly that we would like to see changes in this collective bargaining agreement, I think that has much less to do with rancor between the sides than changed circumstances since we negotiated this last collective bargaining agreement. For example, in media. We're looking at a different world now than we were last time we negotiated this collective bargaining agreement.

There's so many different elements that get negotiated with the players, but much of it has to do with how we construct our economic relationship. Without being more specific, how we distribute our television, what dollars we're generating locally and nationally all go into the mix. As we're now looking out into a new paradigm of media, there are changes that we would like to see made.

Incidentally, even those changes -- from my standpoint, there's a negotiation that needs to be had, but at the end of the day, sort of the genius of this system, I believe at least, is that we're in essence 50/50 partners. Nothing I can take credit for, designed before my time. But this notion of the partnership, which then leads to a salary cap, we feel creates the ideal incentives, so that at least if we're to be believed across the table by the Players Association, the changes we want to make are ones that we think will create the incentives and investments necessary to maximize the pie, which then ultimately increases their salaries. The larger the pie, the more 50 percent dollars to go to them.

**Q. The 50/50 partnership, that's been in place for a**

**while now. Has that engendered more trust and a sense of true partnership beyond just the math of it?**

ADAM SILVER: Again, I'll just answer from my standpoint. I believe it has. I think that not only because of this notion 50/50, I think that just feels like partnership, but even beyond that, in order to put together the elements of a 50/50 partnership so each side can verify that it is indeed 50/50, it requires an enormous sharing of financials, tax returns, expenses, et cetera.

One of the things that we used to see back in the old days of collective bargaining were months of back-and-forth over, as you referred to it, trust. Like, are these really the numbers? What's the business really look like?

I think that we've been able to jump over that part in the last two negotiations, both with Michele Roberts and with Tamika Tremaglio, where especially Tamika, she used to be the head of the Deloitte office in Washington, D.C. She's a lawyer; she's an MBA; she's an accountant.

Everybody is accepting that audited financials are what they are. It doesn't mean that there isn't a lot to negotiate over, but when you can begin with that strong premise, that here's our revenue, here's our expenses, here's our net income, et cetera, again, lots to negotiate over once you begin with those building blocks, but at least from my standpoint, there's been trust throughout these discussions. It goes both to the transparency but also to this sense of partnership where we all are able to step back and say, all right, when we get done with this negotiation, the goal is to be further incentivized to make the investments to continue to grow the pie to have more dollars to share 50/50.

**Q. Michael Jordan has been on record saying he's in discussions to potentially sell his stake in the team to Gabe Plotkin, or at least become a minority owner and therefore not be a majority owner anymore. I was curious, what's the league's position, or how does the league feel about the fact that an all-time great player and obviously the one majority Black owner in the league could potentially be selling?**

ADAM SILVER: Well, first of all, Michael's statement is what it is, and my recollection of it was that, yes, there are discussions ongoing, but nothing has been decided. I'd only say I wouldn't know where to begin in terms of Michael Jordan's contributions to this league, frankly not just as a player but the role he has played as a governor over roughly the last decade.

One thing Michael has told me is that whether or not that transaction gets done, he will remain governor in the



league, technically maybe the alternate governor instead of the governor, so he'll still stay very involved. He'd still continue to have an interest in the league.

I recognize that over time, people's interests move on to other areas. He's not living in the market right now, et cetera. So, completely understandable.

But the good news is I think regardless of his ownership status, he will remain part and parcel of everything that this league continues to do. I have no doubt about that.

**Q. On a very different note, you mentioned earlier that you guys discussed the Diamond Sports situation. You said at the All-Star Game in the short and long term it wasn't a huge concern, but in the mid term it was something you need to work through. I was curious how those discussions went today, and what are the specific things you guys need to work through in terms of figuring out what to do with that?**

ADAM SILVER: Well, sure. On the short term -- thanks for reminding me of my All-Star answer. I feel the same way, that now Diamond even post-bankruptcy has assured us that they're going to be able to make their payments for the remainder of the season, keep our games on for the remainder of the season.

Again, we're only talking about a week and a half. They have some first-round playoff games, but those games are also broadcast on national carriers. We're in what I view as very constructive discussions about an ongoing relationship. They still have some restructuring to do. They're sorting things out among all their various debt holders, but every signal we've gotten is that they intend to be an ongoing concern, which is positive for us.

I think my reference to the long term was you're clearly seeing an evolution or a morphing of media moving continually to streaming services, and whether it's with our existing partners, Disney, Warner Bros. Discovery, they are very focused on streaming services, as well. Obviously other entrants in the market would potentially be interested in the NBA, and at the same time, there are still, when you include these virtual MVPDs, the virtual carriers, along with traditional cable and satellite, there are still 75 million homes. That's still a mainstay of how people are obviously watching our games now, but I think will watch our games for the foreseeable future.

What makes this so interesting is most likely we're going to continue to have a hybrid way of distributing our games. I'll just add, it's interesting that just to show things go full circle, when I came into the league in the '90s, there was a lot more local broadcast exposure, and now what we're

seeing is a lot of those broadcast stations in our teams' local markets are coming back to the table and expressing interest in once again broadcasting our games. That's terrific news because obviously broad reach in those markets, too, if you're on over-the-air television.

**Q. How do you address, if possible, when you're looking for a long-term deal or longer-term deal, all the uncertainty that you've sort of discussed, bank default, interest rates, RSN bankruptcies? How do you address what you want as certainty or at least attempted certainty in a long-term deal?**

ADAM SILVER: The long-term deal, you're referring to the collective bargaining agreement now? It's a great question. It goes to Steve's earlier point about partnership. Part of when you have a partner, you're partners in good times and you're partners in bad times.

I'll just give an example. When COVID came and we shut down and then went into the bubble, we sat down with our Players Association. Much of what we negotiated was outside of the framework of the collective bargaining agreement. The spirit was there in terms of a recognition that if revenues were down, player salaries were going to be down. We had to figure out the mechanics of how to do that when you already have contracts in place.

But there was an understanding. I think in part it's what led to our ability to work those issues out, and then play in that bubble, because players wanted to play, frankly wanted to get paid. They thought it was a positive thing if we could figure this out.

I think it'll be the same thing as we work through all this uncertainty. Some of what we're negotiating with the Players Association are mechanisms in the contract for dealing with some of those situations. A lot of it comes down to trust, because in some cases there is enormous uncertainty and much more so than when we were in our last negotiating cycle.

Part of it is that if the following shall happen, the parties shall sit down in good faith and work through those issues. You can only do that if you have the strong building blocks of a partnership. People are still protected legally, but for the most part, the goal when you negotiate contracts like this is they go in the proverbial file or in the computer file and you're not pulling them out every week. You're saying, all right, we have a construct here and we're going to follow it in spirit but recognize things may change, and in this case, timing is never quite right. I think the Players Association understands that there are certain philosophical changes -- they're more than philosophical. There's certain structural changes we want to make in sort

of how our television relationship works, but at the same time, we're not quite sure how it's going to look.

I think you're right. And then that's where good lawyers come in. Not just to protect each side but to build in systems so that we're going to be able to sit down when we see what our new television relationships look like and make the appropriate adjustments.

This word gets never old, but becomes often used in these negotiations with the goal being let's just make sure it's still fair. Sometimes in partnerships you have to fall back on words like "good faith" and "fairness."

**Q. I just want to clarify off the top real quick. If you guys don't have a CBA deal by this Friday, does the league intend to then opt out and have the CBA then be set to sunset this June 30th?**

ADAM SILVER: So if we don't have a deal by this Friday night and nothing else were to happen, yes, it would be our intention to opt out of the current deal.

It doesn't therefore mean, though, that the deal will sunset at the end of June, because we'll still have April, May and June to negotiate a collective bargaining agreement.

I still think it would be a lost opportunity in this window because I think the pressure -- by the way, both sides have the right to opt out. Again, I don't want to speak for the Players Association. Maybe they would be opting out if we don't have a deal done by Friday night.

But it's certainly our view that there are changes we would like to make to the collective bargaining agreement, there are changes they would like to make to the collective bargaining agreement, and we're best getting this done in the next few days. But if we don't, we will then have those next few months to do before the actual end of the collective bargaining agreement at the end of June.

**Q. Why do you think it's necessary, again, in the scenario if you don't get to an agreement, to opt out now instead of both sides just continuing to live under this current CBA, which I believe is another season, right?**

ADAM SILVER: Well, it's part of this collective bargaining agreement that this opt-out existed, so we wouldn't be acting outside of the collective bargaining agreement by exercising it.

I want to go back to what I said earlier. Certain dynamics have changed since we negotiated this collective bargaining agreement. I won't go through the list, but

media is one of them. We think there are necessary changes that we would like to make in the current collectively bargained relationship that take into account the realities of what media, the media world looks like now as opposed to what it did in 2017.

**Q. Just to follow up, you said, "if we don't have a deal Friday night and nothing else were to happen." What do you mean by that?**

ADAM SILVER: Again, I'm only talking for the NBA because this is not a discussion we've had with the Players Association, but we've extended the deadline twice. You could extend. Nobody has talked about that yet. I don't think that's likely. But it's just us two parties to this contract, so we could say, well, I could imagine if it came midnight Friday night and we were having a productive discussion and somebody said, we could use a few more days, we would agree to a few more days. But that's more of a hypothetical. It's not a discussion we've had with them.

**Q. Can you give us a sense of -- I know that CBA negotiations you deal with issues sometimes one at a time. Can you give us a sense of what percentage maybe of those issues have been resolved at this point?**

ADAM SILVER: You know, it's a hard question to answer because what happens is -- and again, this is my only experience is in collective bargaining with this Players Association, and whether it's our style or their style I'm never sure, but every issue seemingly seems related to every other issue. So if you line up these 10 issues, you sort of go, 80 percent of the way there on each issue and everybody is holding their last move to say, well, okay, maybe I'm willing to do that but I'm going to wait to see what you're going to do on those three issues and if you make a move on those three issues then I'll feel a little bit more comfortable. People are constantly trading things.

So, it's a little harder -- there are some discreet issues, but it's a little harder to do it seriatim where you say done, done, done; all right we have two left.

But having said all that, I think in the parlance of the negotiation, and as you and I have talked about, there's some professional negotiators across the table who do this for a living, and I think there comes a point when there's a certain understanding without it being said that, all right, I'm holding my cards a bit, but my sense is if you're willing to give me something that's a priority over here, there's something I'm probably able to do for you over here.

But it also is why these things end up coming down to the

 . . . when all is said, we're done.®

last minute, because again, Tamika and I have talked about this, how to change the nature of collective bargaining so these deals don't get resolved at the very last minute, but we haven't been successful and that's why we're here with three days to go and still got plenty of ground to cover.

**Q. Non-labor topic if you don't mind. I think it's been widely assumed since we saw the list of Finalists that this Hall of Fame class that they're going to announce on Saturday was going to be pretty good. By nature, Hall of Fame classes are all very good because they're Hall-of-Fame players and coaches, but will this group have a certain significance for you just because of the international element with Dirk and those guys, and again, with the assumption that they all get in? Will this one stand out for you in any way?**

ADAM SILVER: I'd say for me, especially as I get older and I've been in the league longer, every class, particularly the more recent ones, seem to stand out because I just know them all personally. It wasn't the case when I was a younger person in the league.

Again, I don't even want to mention names because I don't want to jinx anybody. The Hall is separate from the league, so I don't even know exactly how the process works, but just on that list, so many close friends that I've traveled around the world with.

I think it's representative of, sort of implicit in your question, how global the league has become. The women who are represented I think is important, I think, in demonstrating how much women's basketball has grown, college and the WNBA level since I've been in the league.

It's exciting, and that day in Springfield is always one I look forward to. I find the speeches incredibly moving. I'm always the one who is getting them online and sending them around to people and saying, you've got to watch this speech, you can't believe it. I'm always thinking in terms of my own kids; please watch these videos.

It's just the greatest stories around, and it reminds me, I'm sure it's true for a lot of the writers in this room who have chosen to work in the sports business, so to speak, that it's what we all love about it so much is these real human stories, and I think especially when as our Hall has become more global and you see that commonality of those stories, regardless of where people grow up, it's just wonderful.

**Q. It's been reported recently that you're a candidate to replace Bob Iger as CEO of Disney. I don't know what that look means, but I'll follow up. Is that accurate, and has there been any discussion between**

**you and either Bob or Disney about that job?**

ADAM SILVER: How can I answer this? I love my job at the NBA. I have no intention of going anywhere.

**Q. You guys obviously announced a few weeks ago, you suspended Ja Morant for eight games, including several games that he had already sat out. I was curious what led to your decision to handle things that way, and as part of that you said you met with him here in New York. I was curious what that meeting was like and what your impressions are of how things will be with him going forward.**

ADAM SILVER: Well, I'll begin with the eight games. He understood he was going to be suspended for some number of games, so the fact that he began to sit out before we issued our ruling, I don't see that having any import, so park that. Also, he obviously lost the money associated with those games, as well.

I'd just say under the circumstances, eight games seemed appropriate to me. Joe Dumars and Byron Spruell and others that work in the league office that handle those matters with me, we did sit together for a while, and I think he understood that while I appreciated his full cooperation, his expression of complete remorse and his acknowledgment of not just how dangerous any activity involving a gun can be but given the nature of his stardom, the millions if not tens of millions of kids who could possibly be influenced by his conduct, what I think we both understood is that what's going to be most important is what happens going forward and how successful he'll be in modifying his behavior.

Again, I have every sense that he took the meeting with me and the discipline enormously seriously, and even putting aside anything that I did or within the power of the league that, at least my sense is that it was one of those moments in his life where he realized things could have been so much worse, putting aside, again, any punitive actions from the league, that when the mixture of alcohol and guns is so terrible that something terrible -- something truly horrific could have happened to him or someone else and even still there's some person out there who could copy something he did.

My sense was he felt the full gravity of that, but I think where we both ended was good luck to you, and the most important measure will be how you, again, choose to live your life going forward. Not to say I didn't believe and feel that everything he was saying to me was genuine, but the measure is going to be how he lives his life going forward.

FastScripts by ASAP Sports

 . . . when all is said, we're done.®

