

NBA Media Conference

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Commissioner Adam Silver

Media Conference



ADAM SILVER: We just finished two days of productive meetings here at the St. Regis hotel with our Board of Governors. We spoke a fair amount about the state of the game and the terrific level of competition. Joe Dumars, our head of basketball operations, made a presentation. Of course, he's been successful at every level of the game, been around the game for 40 years. And in his view, this is a golden era of the NBA. As Joe said, he doesn't remember a time when there was so much talent, so many great players on the floor. That was wonderful to hear.

We talked a fair amount about the new player participation policy this year, which has been discussed a lot throughout the year, the 65-game threshold for being eligible for certain awards.

I think the view in the room was that it's working. In fact, there was a presentation on star player participation this year, and in fact, games missed by star players was down roughly 15 percent in the regular season this year. Good news there.

Andre Iguodala, the executive director of the Players Association, and I have talked a fair amount along the way this year. Obviously, issues have come up around particular players. What we said is when we get to the end of the season, of course we always sit down and talk with our Players Association to see what makes sense. But at least the sentiment in the room from the teams is that it is working as intended.

From a business side, we're now going to, as we finish out the regular season, once again, set an attendance record. It'll be the highest attendance in the history of this league. So compliments to our teams and, of course, the fans, who sort of are rewarding these organizations by showing up and enjoying the competition. That's wonderful to see.

From a media standpoint, talked a fair amount about the environment right now in which we're negotiating. I think everyone is aware, we are in now an exclusive negotiating period with our two major partners, the Disney Company, ABC and ESPN on one hand, and Warner Bros. Discovery, which is TNT, and the report from me is that the

conversations are ongoing and have been very positive.

I'd just lastly say before opening it up to questions, it's wonderful to see the enormous interest in basketball right now, not just at the professional level but at the collegiate level, men's and women's. Based on our data on a global basis, basketball is the fastest-growing sport in the world right now. Again, WNBA, now going into its 28th season. Credit to David Stern, Val Ackerman and others who were promoting the women's game almost three decades ago now on the professional level.

But we all saw, I think everyone has taken notice of Caitlin Clark and her fantastic success and that University of Iowa program. Of course, congratulations to University of South Carolina and Dawn Staley, a WNBA alum. Clearly the public has taken note of the women's game, record ratings, again, as you all know, highest-rated basketball game of any sort, professional, collegiate, in the last five years. I think it's just fantastic for the game, and not just young girls but young boys, too.

It's our view that by watching great competition, young people are then inspired to play this game at every level. That's what we're seeing in our participation numbers. Basketball continues to be the largest team participation sport in the United States, and those numbers continue to grow. We're very much buoyed by that.

Of course, lastly our regular season is about to come to an end this week. Play-in Tournament will be starting next Tuesday and then the Playoffs next weekend. And the WNBA Draft -- Monday, 7:30 on ESPN. Stay tuned.

Happy to answer any questions. Thank you all for being here today.

Q. Last night there was an NBA game with historically low foul totals, Milwaukee and Boston. Doc Rivers said afterward you would be happy about that. There has been at least some wonder if the league any sort of directives or guidance on calling less fouls the second half of the year. Can you explain if that's true and if there's any concern on your part that the Playoffs are about to start and maybe teams are



unsure of the way the game is going now?

ADAM SILVER: Well, I'll answer the last part of your question. As I mentioned earlier, just coming out of two days of meetings with our teams, our teams are very happy with the state of the game, as am I, and as I said, I think we're seeing fantastic competition on the court.

To your specific question, first of all, last night, obviously an anomaly. But when you look at the data for the season, it's true as the season went on, foul calls came down. Roughly two fouls per team per game. That's what we're looking at, just to put it in context. Roughly two fouls per team per game.

As we've said now along the way, Byron Spruell is here, head of basketball operations, Joe Dumars, are constantly meeting with the competition committee. I participate in that meeting, and we get feedback from our teams and we calibrate as we go in terms of how people view the game.

I think there was a sense earlier in the season that there was too much of an advantage for the offensive players, whether -- I think Steve Kerr said offensive players were using themselves as projectiles or hunting for fouls, however you want to call it. So that was a point of emphasis on behalf of the league. We were transparent with our teams about that. Again, everyone can see what's happening on the floor and make their own judgments about the calls being made.

So, yes, there was a bit of an adjustment made along the way. But, again, the context is two fouls per team per game, and the end result, most importantly, we think is a better game. We think that now, despite what some people say, we don't measure success by the number of points scored, certainly. It's all about competition.

I think that if you look now at sort of what we're hearing from our fans, I think the fans want to see great offense, but they want players to be allowed to play defense, as well, and I think that's what we're seeing. So I'm very happy with the state of the game, and my expectation is as we move into the Playoffs, we're going to continue to see great competition.

Q. Where do things stand with the situation with the sale of the Timberwolves, and at what point would the league get involved with that?

ADAM SILVER: It's not clear whether there will be a role for the league to get involved. Where it stands is Glen Taylor, on one hand as the seller of the franchise, and then with Marc Lore and Alex Rodriguez as the buyers. They have a purchase agreement. There's a dispute now in the

purchase agreement, and in their purchase agreement they in essence pre-agreed to a dispute resolution mechanism that includes mediation and arbitration. That's where it stands. There is no role for the league in that process.

Q. Where do things stand with the Jontay Porter investigation, and also similarly, do you have concerns with the increased relationship that the NBA and professional sports league have with gambling as a whole? That this is something that will increasingly become an issue?

ADAM SILVER: Well, I always have concern, to the extent that there's inappropriate behavior or alleged inappropriate behavior by any participant in our game, particularly around gambling. There is an ongoing investigation of Jontay Porter. I'll leave it at that.

But I think to your larger question, we, the league, we stated our position before even the Supreme Court overturned the federal act that largely made sports betting illegal. Our position from the beginning is that this should be a regulated industry in the United States. My personal preference, rather than dealing with the state-by-state laws, which is what we now are dealing with, is that there should be consistent federal legislation nationally.

But I think there's a proper role for regulation here in determining the amount of marketing, frankly the kinds of bets that can be placed on our games. I'm not against it in terms of legalized sports betting because I think the alternative is illegal sports betting, and I think at least in a legalized structure, there's transparency. Just as in cases we've dealt with where very sophisticated computers, when there's aberrational behavior, you become aware of that rather than betting that takes place in the shadows or underground.

Those are really our two choices. You can't turn the clock back, especially once sports betting became prevalent on the internet, and we all knew before it was legalized that a lot of it was going on. You saw it all over the place.

Again, legalized jurisdiction from my standpoint is better. But we're learning a lot about this industry, the impact of marketing on fans, on activity in our arenas. We've heard those stories, as have players and coaches. It's not anything new, but anecdotally at least it's increasing in terms of fans yelling out at players about over/unders and yelling at coaches about playing players and fans disappointed about spreads not being covered.

Again, I think we all have to address that as an industry, including the gaming companies, and decide where the

proper lines are. I think there is a role, again, for the government here in terms of proper regulation, even around the amount of marketing. We limit the amount of sports betting advertising in our games. Whether that's at the right line, others may have a different opinion, but we limit it. But that's just a fraction, of course, of the amount of sports betting advertising we see.

I live in the New York market. It's constant in terms of promotions for people to bet on sports.

I worry also about young people. It's, of course, illegal for young people to bet on sports. Maybe that makes my point, but somehow they still find a way to do it. You hear those stories anecdotally, as well. Whether there need to be greater safeguards is something we have to look at.

But at the end of the day, there's nothing more important than the integrity of the competition, and so any issue raised around that is of great concern to me and to all commissioners, to all people who are safeguarded -- all people who are in a position and have a responsibility to safeguard the game.

Again, this is a burgeoning industry in the United States. It's been legal in other places in the world for decades. There's lessons to be learned from the way that sports betting is monitored and regulated in other jurisdictions. Again, I think as these unfortunate examples come along, we may have to adjust our rules, and our partner gaming companies and those companies that aren't our partners may have to adjust their behavior, as well.

Q. Alex and Marc have said that the only thing holding up their deal was NBA approval of the financing and the money. Can you clarify or confirm exactly where that stood when Glen announced that the deal in his view was off?

ADAM SILVER: I can't say more other than that comment is at the heart of their dispute. Again, the dispute is precisely that, as to whether they had acted within the window of the option that Glen Taylor had sold them. That's the very basis of the dispute. So that dispute will be resolved independent of the league office.

Q. This was an atypical deal from the outset. They had not raised the money. Glen wanted three years, path to control. Is this a deal structure the NBA would approve in the future, or does this necessitate a rethink about what types of structures allow you to buy NBA teams moving forward?

ADAM SILVER: It's an important question. I think this team happened in the early days of the pandemic, when it

was extraordinary circumstances, I think, for everyone in our community. I think lessons learned, too, as new situations evolve in the league as to what kind of transactions make sense. I think let's wait to see how this one works out.

But it's certainly not ideal to have a stepped transaction like this. It met our rules from that standpoint, and it's what Glen Taylor wanted and it's what they were willing to agree to at the time. But I think once the dust clears on this deal, it may cause us to reassess what sort of transactions we should allow.

Q. You said that the conversations around expansion will happen after the NBA media deal completes. I wonder what that process is going to look like. I think fans want to know. There's a lot of cities out there, Seattle, Vegas, maybe Mexico City, that feel like they're prime candidates. What from the league office is that going to look like?

ADAM SILVER: We haven't set that process yet, but just based on historical precedent, generally we formed a committee of our governors. Often, it's either an expansion committee or sometimes an existing committee takes jurisdiction of the process.

But one of our goals is to be very clear and transparent, because we've received inquiries from many different potential buyers in many different cities. I just want to make sure everyone feels fairly treated here. It's why I've gone out of my way, when I'm asked, to say this is only on one track. There aren't private conversations happening right now. No one has an inside track to getting a deal done, that at the time we will, with our committee, look at the cities that are interested, talk to the groups that are interested and then go from there.

But we've really drawn a bright line here to say to potentially interested parties, thank you, but we're not ready to start that process yet. As you said in your question, we do think it's important that we finish this set of media deals, in part so that any possible potential buyer, and we, understand what the economics are so nobody is guessing as to what -- and media is our most important form of revenue, so that will be known as we're assessing what the value is of a potential expansion team.

Q. Obviously now that you're in the exclusive negotiating window with the media rights deal, how important is it for the health of the league going forward to get a number that you're happy and you're comfortable with for the revenue for the league, for expansion from franchise valuations going forward to get something and land it in a spot that can keep the

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NBA moving forward?

ADAM SILVER: Of course, it's important to keep growing. But then regardless of what I'd like to happen or want to see, there's then a market for these rights. What will largely determine the value is what the market looks like.

While I think the market is robust right now, just even looking outside of the NBA, what's happening in women's sports -- again, we're also representing -- we are the NBA and the WNBA, so we're talking about both leagues right now in terms of renewing our rights deals. We're seeing it in other sports, that increasingly live premium sports is what's breaking through in media.

What's been interesting from watching what's happening in other leagues and some of the discussions we're having, when you think about moving from traditional television broadcast or cable or satellite to a streaming world, it opens up all kinds of possibilities. For us, being a very global league, getting close to 30 percent of our players born outside the United States, a league that's distributed around the world, that opens up tremendous opportunity for us potentially with a partner to be delivering those games globally.

What's also fascinating to me is there's been so much discussion now about moving games from traditional television to streaming, but for the most part, what we've seen so far is in essence the same feed. You might have seen it on this network. Instead, it'll be available on this streaming platform.

But what's happening now through cloud services, through artificial intelligence, through all kinds of innovation around sports programming, is you're now able to present the games in entirely different ways, almost unlimited permutations, and creating all sorts of personalization for fans.

Just one example, a sports betting issue comes up. If you don't want to have anything to do with sports betting, you won't have to have anything to do with it. It's click, click, I don't want to hear or see those ads, I don't want any optionality on seeing spreads or lines or whatever other information a sports bettor may want.

On the other hand, somebody who is interested in sports betting, is in a legal jurisdiction and is of age can choose to see those fields. People are interested in buying the latest shoes that the player is wearing or fashion that the player wears off the floor or unlimited numbers of languages or dialects or focusing on particular players. That is what I find so incredibly exciting about what's now happening through this transition.

There's, of course, price, and that'll be negotiated and the market will be what it is. I think just as important to us, as we're talking to our current partners and seeing what's available in the marketplace, is what some of these media companies will be able to do with NBA and WNBA content. How will they present it? How easy will it be for fans to find it? What other forms will they deliver it in? What will be the quality of the presentation? All those things become relevant.

So fair question about increasing valuations, but when you look long term, money, don't get me wrong, is a big part of it. But it's also, growing the sport will involve more than getting a high rights fee. It'll have a lot to do with how the game of basketball is presented to our fans globally.

Q. On Bronny James declaring for the draft. We're not sure if he's staying. Obviously, it's a very unique situation. But considering the constant narrative, are you afraid at all of the optics of maybe a team deciding to draft a player not necessarily for his merit but potentially maybe to entice his father, free agent to be?

ADAM SILVER: I would only say, in fairness to the James family and Bronny, I don't want to comment on that. I said hello to Bronny a few times. Seems like a fine young man. Obviously dealing with inordinate scrutiny, had a health issue earlier in the year. So there's already enough pressure on him. But ultimately, I'll leave it to our teams and to LeBron and his family to do what's right for his son and his family.

Q. With a week left in the season there's 13 teams between 44 wins and 49 wins. I know your predecessor loved the idea of dynasties and what that meant for marketing the league. You seem to be a bit more diplomatic. Is this what you've envisioned, especially with the collective bargaining agreement, the second aprons that will be implemented in the coming years?

ADAM SILVER: Yes. I'll only say -- maybe I should have said this at the beginning, that with less than a week to go, we have one team that has locked in its seed right now, and that includes essentially 20 slots when you build in the Play-In Tournament. I'm thrilled with the level of competition.

I think what fans ultimately want is to see great competition across the league, and I'd only say as to dynasties, I'm not anti-dynasty, but you want dynasties to be created, to the extent possible, with a level playing field. So if teams draft well, develop players well, trade well, but in essence operate roughly within the same number of chips, so to

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speaking, I get it, we have a tax system that creates some advantages for some teams, but I think then you want to see that management skill, the collective activity of those players rewarded. That to me is a different kind of dynasty because then -- and you then can appreciate what's happening on the floor and you don't necessarily want to set out to artificially break up a team that's been built that way.

To me, you can never predict what's going to happen with the competition, but what we set out to do, both with our collective bargaining system and frankly our revenue sharing system was to give all 30 teams an opportunity to compete, and if well managed, to have an ability to make a profit, as well, because back to the earlier question about media financing, that's then what allows them to reinvest in the organization, build new facilities and grow the franchise.

It's far from a perfect system now, but I think we're seeing that. Part of it is -- I've said this before, a change in media consumption, too, that when Victor Wembanyama goes to San Antonio, I don't hear people saying, oh, it's a small market, somehow he's not going to have the kind of visibility, no different than Giannis in Milwaukee. That's what I love about a true 30-team league, that players and teams should be judged by the quality of the team they put together and their success on the floor.

In this day and age, when every game is available on your phone and every game is available globally, and as I said, we'll look at our new media deals maybe making it even with more features, maybe making that even more accessible. The difference in market size in a global sport will become much less relevant, and that will help, too, truly have 30 teams -- truly put 30 teams in a position to all compete for championships.

Q. LeBron and Steph after all these years are still the two guys that drive more attention than anyone else to the league. People get very excited when they play against each other, even if their teams are not as good as they have been in the past. Even though there are younger great players in the league, I'm curious why you think it is that those two guys have shined above everyone else still, and also, do you have concerns about the era of the NBA after they're done, after they retire?

ADAM SILVER: I don't have concern about after they retire because, as I said earlier, and Joe Dumars is saying a golden era of NBA competition, it's just amazing when you look around the league at the number of great players we see out on the floor and then we look at the pipeline of players that are coming up.

I would say in terms of LeBron and Steph, they deserve the fact that they're on a pedestal to a certain extent because of their success on the floor. In addition to being charismatic and charming and good guys, ultimately multiple championships gets rewarded by fans caring about them and caring about the franchises they play for.

But what we're also seeing, and this goes a little bit to change in media, as much success as Caitlin Clark has had in the three prior seasons, she didn't break through until relatively recently as a true household name, as maybe one of the best athletes known in college sports.

Stars can be also created much quicker these days than in the old days. So you have, in a way, legacy stars deserve to be in those positions, but again, with enormous social media community out there, literally in the billions for basketball, a global market for talent that what's so cool about sports is that it's the meritocracy of, at the end of the day, show us what you can do on the floor in the case of basketball.

I think that talent gets rewarded, and when you're fortunate to be a league -- both men's and women's side where the very best in the world want to play in a single league and there's so much basketball being played on a global basis, I just think the stars will continue to emerge.

They're different, and for those that have been around the sport long enough, I remember when Magic retired and Larry retired and Michael retired and Kobe retired. People were like, oh, my God. It's amazing. It's just that new and different stars end up emerging, have their own personalities, their own styles, and next generation of fans cares as much about them as they did the players before them.

Q. A follow-up on the Porter question. First of all, depending on where something like that ever led an investigation, is there a penalty that -- do you have a range of what you can do, or is there anything that is sort of in the rule book what a penalty would be? Second, when that story broke a lot of people online were saying, what did they expect, of course something like that was going to happen at some point. I know you said you were concerned, which is why you were early on wanting the regulations and such. But were you surprised?

ADAM SILVER: You know, I'm always surprised in any individual circumstance. If you look at the history of sports betting prior to the legal -- mass legalization, it was all legal in Las Vegas, but the mass legalization of it in the United States, there have been incidents. We've had incidents,



obviously with an official. This is not new. There's unsavory behavior, even illegal behavior around sports betting.

My point is to the extent that it's going to exist, that if you have a regulated environment, that you're going to have a better chance of detecting it than you would if all the bets were placed illegally.

As to your question about the consequences, I have enormous range of discipline available to me. But it's a cardinal sin, what he's accused of, in the NBA, and the ultimate extreme option I have is to ban him from the game. That's the level of authority I have here because there's nothing more serious, I think, around this league when it comes to gambling and betting on our games, and that is a direct player involvement. The investigation is ongoing, but the consequences could be very severe.

Q. I know you told the Pat McAfee Show that you had no idea about Spulu, the product from FOX, ESPN and Warner Brothers Discovery when it was announced. I wonder what your thoughts are on it now and how that affects media negotiations?

ADAM SILVER: All I said on the Pat McAfee Show is that I had no prior knowledge before it was announced and we were informed by our partners then, and I know now, again, that they've moved forward. They're in the process of hiring a management team. Other than that, I don't know too much more about it.

Q. I know there have been talks about splitting the WNBA rights away from the NBA's in this round of negotiations. Has a decision been made on that, and if not, what are the factors that lead to that decision, whether it's reading the market, their choice, your choice? How does that decision get made?

ADAM SILVER: Ultimately, it's a collective choice here between the NBA and the WNBA. Now, if you look at how those rights are distributed, we share a partner of course in the Disney Company, but then there are some partners of the WNBA that are independent of the NBA.

I think we're going to happen is we're setting out in these discussions discussing both NBA and WNBA. There's no doubt I think especially over enormous interest most recently around women's college basketball and the growth in the WNBA over the last few years that the interest is heightened from where it used to be, so that's wonderful to see.

In the first instance, I think it's in the league's interest, to the extent we can do integrated deals and the NBA

promotes into the NBA season and the WNBA promotes into the NBA and we can all talk about basketball, I think that's a positive thing.

On the other hand, there may be unique channels for the WNBA that make particular sense. There's women's sports networks, other things that may bring particular attention, which could be complementary to the coverage that they would get through a traditional media partner that the NBA would be part of, and also it's a function to that earlier question about the marketplace, as well.

My sense is that, just as a reminder, the NBA represents roughly 260 nights a year programming. WNBA currently is about 60 nights. That could grow over time. To the extent we can present ourselves as a year-round basketball product, that becomes increasingly important, I think particularly to streaming platforms that are dealing with potential churn.

I think it's also -- I'll just end by saying, what I mentioned before in terms of what we can do with new technologies, AI, digital executions around our game, we're in the process at the league office, and when I say the league office, I mean the NBA and the WNBA, of investing heavily in developing in expertise around how to produce basketball and what the best ways are to present it.

So presumably by having these integrated deals, we can take advantage of our expertise of that technology in finding -- as Sabrina Ionescu said at the All-Star Game, basketball is basketball, shooters are shooters. At the end of the day, it's the game.

To the extent that we come up with ways to better present the game, to do a better job engaging fans with an understanding of the game and what makes this player unique and what defense is really being played, and when people can go beyond as sometimes happens with the commentators that make it clear it's much more than effort, it's like why is this player being shut down, what is this offense. Present it in a way that makes it even that much more enticing to fans, there's real opportunities to scale there when you put the NBA and the WNBA together.

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