

Tuesday, September 10, 2024

New York City, New York, USA

Commissioner Adam Silver

Commissioner's Press Conference



ADAM SILVER: We just finished two days of Board meetings here in New York City. Lots of discussion about the state of the game. Spent a fair amount of time on the Olympic competition from the summer.

I was over there, as was Mark Tatum and several of my colleagues and owners, as well. Just a reminder, there were 140 NBA and WNBA players, some past players, who participated in the competition. It was fantastic for the game.

You'll recall the group stage was up in Lille. It was a basketball festival up there. It was fun for even members of the media who were there, walking around the streets, seeing classic NBA jerseys everywhere. There were four games a day in what was a converted soccer stadium. They had to add a roof. They cut it in half, but they turned it into a 27,000-person facility. It seemed like every game was sold out, men's, women's, regardless of who was playing. And then of course the competition moved to the Bercy arena in Paris.

In addition, I was talking to Dwight Powell the other day, who played for Team Canada, a member of the Dallas Mavericks. He was talking about how fun it was as a player to be competing against other NBA players from other teams in sort of the byplay and just the NBA vibe that existed in the competition.

I would just say, having been a spectator there, both in Lille and in the arena in Bercy, the competition was fantastic.

Congratulations, of course, to Team USA, to Grant Hill for putting that team together, Coach Kerr and for those players. It was hard fought, and again, I think presented to the world, to the 210-plus countries that witnessed the Olympics, it was a fantastic showcase for the game of basketball, both men's and women's, and how fortunate for the game we were to have two gold medal games, USA against France. Both games received something like a 50 percent share of audience in France. Very highly rated in the United States, as well, despite being in not the perfect time zones for the U.S., particularly the women's game, which I believe was 9:30 Eastern time in the United States.

We talked about it as a Board, how terrific that was for the

growth of the global game. There was a specific focus on Europe, as well. I talked a bit about that when I was over in France. There are ongoing efforts led by Deputy Commissioner Mark Tatum, who is here, looking at the opportunity over time for the NBA to directly participate in the growth of the game in Europe.

Speaking of that, FIBA, our federation, who has been our partner in the growth of basketball around the world and of course overseas, the basketball competition in the Olympics, was represented at our Board meetings by Andreas Zagklis, who is the secretary general of FIBA. Longtime FIBA employee who then rose to the level of the top position there. He presented to our Board on how the interplay works between FIBA and the NBA and USA Basketball around the world, and his view of the opportunity to continue growing the game, not just in Europe, in the Gulf region, Africa, where we're partners, Asia, other places in the world. I think he was very well received by our Board.

Then talking about the season, training camps are around the corner. Steve Ballmer and his folks talked about the opening of the Intuit Dome, which we're very excited about. They're opening the second day of the season against the Phoenix Suns.

I was last out there, I think, when the building was, I'd say, roughly 80 percent done. I've read rave reviews about the concerts that have opened the building, not surprising the new technology that Steve has installed in his arena, and I hear the most bathrooms in the history of any arena, so that will be helpful, as well, as I get older (laughter).

With that, I can't wait to be out there for basketball. And incidentally speaking of the Olympics -- that of course will be the venue for LA 2028. That's already been decided. It's going to be a basketball showcase.

Again, appreciate the media being here and covering the league, and happy to answer any questions that you have.

Q. Could you expand on the conversation with the secretary general today and what some of the specifics of his messaging was? Is there any more of



a focus on what FIBA and the NBA are hoping this -- I don't want to say new agreement, but expansion of skills, best practices, et cetera, what that could look like?

ADAM SILVER: Sure. Part of his discussion for our Board that's not necessarily involved in international sports was how unique our partnership is between our league and our federation. Not to say we're in lockstep on everything, but I think in the case of other sports, there's a lot more tension, I think, between the federation and particular leagues.

I think it was important to communicate that we're committed as partners to growing the game globally. There's a lot of projects we've worked on historically. We talked even a little bit about his predecessor, Boris Stankovic, and of course mine, David Stern, who worked together with Russ Granik on NBA players participating directly in the Olympics and that historic agreement leading to the NBA Dream Team in 1992.

We talked about Basketball Without Borders and the well over 100 players who have now participated in Basketball Without Borders who have then come to play in the NBA. Of course the Basketball Africa League, which we've done in partnership. A lot of what he discussed was about the history of this partnership, and there were some newer owners in the room, as well.

But then turning to Europe, I think what -- there's agreement that where we are in terms of the level of interest in basketball in Europe is not commensurate with the commercial activities. The level of interest here (raises left hand), sort of commercial activities here (raises right hand lower).

I think the way all of us see it, it's not just about a business opportunity. We've been in this position before in our leagues, where if you can't demonstrate to the market that you can run a successful business, it's not sustainable. I think for basketball to continue to grow, we need -- whether it's a series of tournaments or a league that is viable.

There's also other factors. Now, for example, relative to that discussion, there's now a move in U.S. college sports where because of NIL and collectives you're now seeing some of the top European players leave their club systems and come into the college ecosystem.

I think that's an open issue whether that's good or bad for the game, frankly. I think we've seen before from a developmental standpoint some of our best players now happen to be international European players who came through that club academy-like development process and come to the NBA very mature from a playing standpoint.

I think we've also heard from NBA coaches that in terms of U.S. player development -- look, the vast majority of players are still coming from the U.S. and are some of the most highly skilled players in the world. On the other hand, as they come into the league at increasingly younger ages, more players coming early and coming through the system, they're not fully formed as basketball players. At the same time, there's a trend in our league that because of philosophies in terms of resting, putting aside load management and games, teams aren't practicing as much as they did in the old days.

I think as we look at stewards of the game, us and FIBA, what's going to be the best way long-term to develop players.

That was a lot of what the conversation was about. There is no specific plan right now about Europe, other than we're agreeing intensively to look at the opportunity. I think right now, we're trying to work through it looking at all these new media platforms. Obviously the advent of streaming, not just as a platform but as a destination for premium sports. How much interest there would be in us potentially doing something together. And also how we would come in in the most friendly manner with the existing ecosystem of regional tournaments, pan-European and country leagues.

Q. You mentioned the Olympics in your opening remarks. The league never needs a whole lot of help in generating buzz going into any new year. But coming off the Olympics, the attention that the W has gotten all spring, all summer, do you get the sense that there's even more, maybe for lack of a better word, momentum going into October this year as even in the past, where again, you haven't been hurting for attention, but it seems like there's just a lot more right now?

ADAM SILVER: I appreciate the question. I know it's been written, maybe by some people in this room, that there wasn't as much interest -- because of the new CBA -- in free agency this summer. I'll let the marketplace decide that. It feels, to me, that there's tremendous momentum. Maybe I'm a bit biased because I was over in France, spent a significant amount of time over there for the Olympics, but it certainly feels that way.

Also, Joe Dumars, by the way, who's here today, who oversees Basketball Operations, he talked about, both out in Chicago last week, at our Competition Committee and with the coaches and today, about the level of competition in the league. Joe can speak for himself on this, but talked about as a player and being a key component of championship teams, that when the season began that -- I

won't say how many teams you said you were concerned about, but they circled a certain amount of teams and they said, those are the teams we've got to get through in our conference, those are the teams we'll likely play in the other conference, and then we can win a championship.

What Joe was saying, and there was a lot of nodding of heads both in the coaches' meeting and today with our governors, that -- I'm not going to say you go into the season that there are necessarily 29 other teams you think are going to win the championship, but there's a large number of teams that you think have a genuine chance to win a championship, and virtually every team on any given night you think if you let your guard down, you could lose to.

I think we're at an all-time high in terms of competitiveness, the quality of play, the competitiveness in the league, and I think that translates directly to buzz and to fan interest.

Q. I know you said previously that you believe the expansion process would begin in earnest in the fall. It's not quite fall, but was there further discussion during this meeting about an Expansion Committee that you alluded to, who may serve on that, how that may work going forward?

ADAM SILVER: There was not a lot of discussion in this meeting about expansion, but only largely not for lack of interest, it was that we had said to them that we're not quite ready. I appreciate your pointing out that it's kind of not quite -- it might technically -- is it fall yet? Maybe not yet. It's feeling a little bit chillier in New York, so we're getting close to fall. But it was something that we told our Board we plan to address this season, and we're not quite ready yet. But I think there's certainly interest in the process, and I think that we're not there yet in terms of having made any specific decisions about markets or even frankly to expand.

I know I've said this before, I think over time organizations should grow. It is appropriate. But it gets a bit complicated in terms of selling equity in the league, what that means for the existing television relationships, et cetera. What we've told interested parties is thank you for your interest, we'll be back to you. And that's certainly the case in Seattle, as well.

Q. Just wanted to follow up on that. Steve Ballmer, as you mentioned, opening his new building in Los Angeles. He's doing another preseason game in Seattle at Climate Pledge Arena. Is there anybody from the NBA doing an assessment of that building how that works with those exhibition games, now the third in Seattle?

ADAM SILVER: The answer is yes. We're always paying attention to what's happening in other arenas throughout the United States when we do play games there. We look very closely at the support we get in those markets. I know we're going to get tremendous support around that preseason game again.

But incidentally, we look everywhere. I think we have a pretty good library now of arenas everywhere in the world, and in part because even if we're not playing there on a regular basis, there's things we can learn.

Incidentally, I think that's the same case with Intuit Dome. Putting aside the infrastructure itself, he's got a lot of new technology we were talking about today that's really exciting and could potentially be implemented around the league.

Q. We're almost exactly 10 years since you became the first commissioner to come out in favor of more broad legal sports gambling. I'm curious if in those 10 years looking back, if your opinion has changed at all on things you held over the course of that time and how you would assess right now the health of the relationship between pro sports and legal sports betting.

ADAM SILVER: Thanks for the question. I think, yes, I would just say on most subjects I think it's constructive that my opinions are constantly changing, because hopefully I'm learning and there's new information available.

I'd say when it comes to sports betting, I certainly don't regret writing that op-ed piece and being in favor of legalized sports betting. I still think you can't turn the clock back. I think, as I said at the time, with the advent of the internet, widely available sports betting online, this is even before we had legalized, well over 30 states now where you can bet legally, that we had to deal directly with technology and recognize that if we don't legalize sports betting, people are going to find ways to do it illegally.

One thing I haven't changed my view on but I'm trying to be a realist about is that, as you recall, before I wrote that op-ed piece, and that was before the Supreme Court had overturned PASPA and then allowed the states to legalize sports betting, I was in favor of a federal framework for sports betting. I still am. I still think that the hodgepodge of state by state, it makes it more difficult for the league to administer it. I think it creates competition, understandably, among states to get -- just think New York, New Jersey or a situation like that where you're both competing for the same customer so you can compete on tax rates and other things and a regulatory framework.

I think that on the downsides of sports betting, they certainly exist, and I think we have to pay a lot of attention to that. I think where we're hearing it in multiple categories, certainly you see incidents of underaged people betting. We have to pay a lot of attention to that, what's potentially going on at college campuses, certainly people betting over their heads.

But I just go back to this notion of a regulatory framework. You can track people when you have their credit cards. There's a lot better ways than when it's illegal to track them legally. So I think there's direct ways of dealing with that.

I think we've heard, many of you report on it, incidents of players or coaches, people directly involved in the game, complaining about things that are being yelled at them or feeling unsafe in a certain way in the environment they're in because of sports betting. Again, I think that we just have to continue to go through a process of education, not just of the participants but with our fans, creating clear bright lines in terms of what's acceptable in our arenas and what's not.

I think it's something -- Scott Kaufman-Ross is here, who leads that effort for us. We continue to work directly with the sports betting companies on how we can improve it.

Certainly our league has not been immune from issues. I think we learned from those, as well. Are there better ways, both us working with our partners and monitoring services to catch aberrant behavior earlier? But again, I think the way we can best protect ourselves is through more transparency, more information, more data.

AI will play a huge role here because when you have more data like that, you can see unusual behavior. It may seem completely unrelated, but when people are doing things that seem atypical, it may be at least an indication there's something else you should look into there in terms of their behavior.

I'd say this last thing. We take this very seriously. As I said sort of day one, it's not a huge business for us in terms of a revenue stream into the league, but it makes a big difference in engagement. It's something that people clearly enjoy doing. I'd put it in the category of other things in society that I wouldn't criminalize them, but on the other hand that you have to heavily regulate them because if there's not guardrails, people will run afoul and create issues, problems for themselves, potentially for their families or for operations like us.

Q. You've said a number of times that you think parity is a worthwhile endeavor for the league and you call it the parity of opportunity. How much of that has to do

with the new media ecosystem and the league trying to find a way to operate within that and creating ways for fans to tune in, especially as you said the number of times we're going to be on on-demand viewing right now?

ADAM SILVER: Where I see a connection is that to the extent we're building the best league with the best competition in a highly competitive media environment, you're best building the league in serving your fans. Said differently, there's never been more competition, and we're competing against every other form of media. Putting aside the attraction arena business, there are truly unlimited options.

It was interesting, I was reading recently that YouTube, for example, is the No. 1 streaming service. There's unlimited things you can look up and look at there, almost beyond imagination, any topic. But then of course these robust streaming services and traditional television. So you've got to put your best foot forward all the time. If you only have a few teams in the league -- and I don't know it was that extreme in the so-called old days, but there were certainly fewer teams that were competitive, and they're driving all your interest that almost by definition you're going to have fewer fans following you and fans of those markets aren't going to feel they're in a position to compete.

As you said, it's not necessarily artificial parity where we keep moving the chips around and saying we want to go into every season and make sure every team has an equal chance. It is parity of opportunity in that you want each team to be in a position where if well managed, they're in a position to compete.

Now, there's things we put in place in the collective bargaining agreement and through successive agreements we think that help level the competition to a certain degree. But also there's other league programs -- for example, our revenue-sharing plan -- which we also think are necessary for 30 teams to be in a position to compete.

As I said, there's always room for improvement. Just lastly, I think your question suggests, and I think this is in a positive way, has contributed to parity, in that players recognize that maybe, again, this is a little different from the old days. I think there was a sense then that there were certain markets you needed to get to if you really wanted to be a big star because of the nature of the way media works. I don't think that's the case anymore.

I've made this case several times, most recently Victor Wembanyama going to San Antonio, which is of course relative to other markets in this league a smaller market. I don't think anybody is out there saying there's a ceiling on

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Victor Wembanyama's popularity because he's playing in San Antonio as opposed to a bigger market. Not certainly for the French fans, and we saw it in the Olympics. I think he has the opportunity to be a huge global star. I think, in a good way, that will ultimately be determined by how successful he is as a player and how successful his team is, not by the market size.

Q. To the point that you have addressed a little bit, six different champions in the past six years. Considering the way the league was built over some of that connective thread, do you risk with the punitive luxury tax penalties missing some of that connective thread that gets fans to know who's going to be playing year after year because you're trying to legislate parity and sort of a financial wealth amongst teams, not just opportunity but also profitability? Doesn't it seem like it's artificial parity, as you just mentioned?

ADAM SILVER: I don't think it's any more so than the NFL's hard cap is artificial parity. I hear you; it means that in some cases players will move because teams won't want to pay an increasingly harsh luxury tax. I don't want to say nothing is lost, but to me, I don't think our system by definition will prevent repeat championships. I think that, yes, it makes it less likely, but we didn't set out to say, let's make sure there's a different champion every year.

I think, again, it goes more to equality of opportunity. But I think in the same vein, I think there's real incentive for players to stay in markets. Look at Giannis or others that if they're doing well in that market, I think in the old days, there may have been more of an incentive to leave, not just because of your new player contract but this notion you're going to get a lot more commercial deals in different markets.

Look, I think with all these things it's a balance. We watch it closely. But again, I think by -- we don't have an NFL-style hard cap, but I'll just use that as the most extreme. I don't think by any means that's been bad for the NFL, and I don't think it's artificial. You set out, you create a system, you sit down with the Players Association; presumably we both have the same broader interest in creating the best competition, generating the most fan interest, and you tweak it as you go.

Q. Understanding that there are still some legal things going on in the TV deal, I'm just curious if you can speak to the possibility, likelihood that this may be the last year of "Inside the NBA" and how you've processed that yourself from a business standpoint, a personal standpoint, fan of the game standpoint?

ADAM SILVER: So, I can't say much about the litigation. I

think your question suggested that. I will say on behalf of the hardworking folks on and off the air at Turner Sports, I feel for them. They've been great partners over many years, and to the extent that they will not continue as an entity covering the NBA, I feel bad for those individuals.

Having said that, I really don't know what will happen to the on- and off-air people who comprise "Inside the NBA." I think let's wait and see where we go from there. It's hard for me to imagine -- whether they continue to work in some aspect for Turner Sports or do something somewhere else, I have no idea. It's hard for me to imagine, though, given that they're all at the top of their game that they're going to stop working and stop covering the league.

Q. Earlier this year we asked you for an update on the Minnesota Timberwolves sales process. At that point there wasn't much of one. I think there's supposed to be an arbitration hearing sometime in the next several weeks. Is there any update on that process, and is there any clarity on what the league's ruling would be from a sales standpoint if one side or the other wins that arbitration hearing?

ADAM SILVER: I mean, the short answer is no. That's a process that exists independent of the league that was set out in the sales agreement, and because, as your question suggests, depending on the outcome, only then would the league then continue a vetting process for ownership. Sort of it's pencils down at the league office. We're not really operating in any way right now on that situation, other than just waiting for the outcome of that arbitration.

Q. In a related note, the Celtics obviously are up for sale with Wyc Grousbeck announcing he's selling the team. Seemed like the way he laid that out was sort of a step transaction, which you had said you didn't really want to have happen again after the way this Wolves thing played out. Curious what's the league's reaction to that and if there is any update on where that sale process is.

ADAM SILVER: No update from me. I think that Wyc Grousbeck and his ownership group are in the process of working through what the steps will be.

In terms of the composition of ownership and any potential step transaction, what we've said is present to us what you're considering and we'll look at it on a unique basis. I think every one of these situations presents itself differently. I think it remains the case of what I said philosophically about step transactions, but sort of the devil is in the details there.

Q. James Dolan, before your last few meetings, has

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expressed some concerns about various things. One of them is that he thinks the new media deal will make RSNs obsolete. I'm curious what you think; how do you view how the new media deal will affect RSNs going forward?

ADAM SILVER: So I think that we discussed this extensively at our Board meeting. The new media deal undoubtedly will have some effect on local deals because by adding a third partner, there's a few more national telecasts that will by definition no longer be available to teams. There's some impact on sponsorships and signage for those teams, as well. So that is the case.

I would just say, on the other hand, prior to us completing our national deals, I think, I'm looking at Bill Koenig, head of our media, I think 18 of our RSNs were either defunct or in bankruptcy. If you look back, sort of just graph it over the last few years in terms of both decline in number of homes covered by those RSNs and decline in revenue, that is the reality of what's happening right now in that aspect of our business, and it's something we're paying a lot of attention to.

I think there's lessons learned certainly from our national deals in terms of the marketplace interest, in the streaming of premium sports, and sort of the return to the past of additional interest from broadcast. I mean, for example, we dramatically increased the number of broadcast exposures in this deal from where we were, to a point from my early days in the league, almost unthinkable that we could command, we the NBA, given where our relative ratings were in the old days, that much primetime exposure from ABC and NBC, which are both built into our new deal.

But I think that it's ineluctable what's happening in terms of cable distribution, and that's roughly down 50 percent from when we negotiated our last set of deals. I think that marketplace is speaking loudly, and consumers and viewers are speaking loudly in terms of where they want to get their programming.

So while I think on one hand there's just been a demonstration of how truly valuable these NBA and WNBA rights are for consumers, on the other hand, when you look at the local markets, at least the way they're currently constituted, you really don't have many bidders. You have sort of a broken RSN model and some broadcast exposure.

I think what we're going to be in the process of doing now, and this is what we talked to our teams about, is spending the next six months or so intensively studying what the opportunity is.

For me at least, I think we will emerge in a very good place. I think we have a bit of a rocky transition. Again, we have significantly lost revenue in the short term from these historical businesses from negotiations to bring Diamond out of bankruptcy, but part of what's enabling it to work is us taking significantly lower fees at least for this season.

But I think coming out of this, when we look at the interest of streaming services to carry local games and all the additional functionality that will come to that, there will be a transition and transition for our viewers, as well, in terms of how they discover those games and how they watch them, that I think the end result will be a much better consumer experience. When you can personalize and customize those experiences, when you no longer have the shelf space concerns -- for example, think about not so long ago when we were doing our schedule, if Friday night is ESPN or Thursday night is TNT, obviously by definition in the old days it can only be one game, and for the most part because of the complexity of our schedule we've got to plan that game months and months in advance without knowing how well that team is going to be playing, who could be injured, if there's going to be trades or whatever else. Now without a shelf space constraint, Friday night, what's on?

So a lot more choice for viewers. And then as I said, a lot more ability to do new and different things.

By the way, one of the presentations at our Board was on immersive media. I can't wait -- what's coming in the future through augmented reality, different kinds of virtual reality approaches to these games, all kinds of really creative ways to present and engage fans that we haven't had historically.

I think we've got this dip. It's just factual; it's where we are. But I think coming out of it, what you'll see is that just in the same way these new media deals we entered into demonstrated the enormous interest in NBA and WNBA programming on a national and global basis, there's no reason that shouldn't translate on a local basis.

I'll just end by saying that pound for pound, the greatest value in sports rights is in the market of that team. You're here in the New York market. The Knicks are clearly a national and global brand in terms of basketball. The most intensive interest in the New York Knicks, not surprisingly, is in the New York market. So it shouldn't be that when we finish this process that rights are worth more per viewer outside of the New York region than in New York.

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