Major League Soccer Media Conference

Wednesday, February 10, 2021

Don Garber

Press Conference

COMMISSIONER DON GARBER: Thanks, everybody for joining me today. I hope that you and your families are all doing well. As everybody knows, early this week we finalized a new seven-year CBA that carries into the end and through the 2027 season. So I wanted to take some time today to talk about the new agreement and the start of the season, as well as answering any questions that some of you might have.

Let me start by thanking the players and the MLS PA and their leadership for their hard work and their collaboration on this new agreement.

During the best of times, and I think many of you have heard me say this before, CBA negotiations are difficult. Negotiating multiple agreements in just over a year is unprecedented, certainly for any professional sports league, and was only done because it was absolutely necessary for us to ensure the long-term success of Major League Soccer.

It became clear to all of us that earlier this year, and I talked about this in my last media call, that the pandemic would place restrictions on fan attendance, once again, this year.

So we made the decision in December to trigger the force majeure clause that was in the CBA that we negotiated last year, and during the last month we spent quite a bit of time in discussions with our ownership, the MLS board, as well as our Players Union and obviously the players negotiating committee, thinking about the best way that we could address the impact of the pandemic on Major League Soccer.

And as all of you know and you've heard us talk about, we had enormous time pressures to finalize the new agreement, in order for us to open training camps and start the season to accommodate what will be a very, very busy calendar and you've seen more and more announcements come out from CONCACAF and U.S. Soccer as relates to what else is going to be taking place during the 2021 season.



Early on and in the last negotiation we had with the players, they were very clear to us that salary adjustments were difficult for players in our player pool to manage. Our ownership has been clear that we needed financial concessions to address another year of what we know will be significant economic impact from COVID-19.

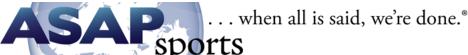
Together, now that we have finalized a new seven-year CBA, I believe that both players and ownership achieved their respective goals. The players will receive 100 percent of their salaries and bonuses in 2021, even as the pandemic conditions. For the owners we were able to extend the CBA for two years and accommodate the financial impact of the pandemic this year, the impact of the pandemic this year over time, over the years of the extended CBA.

And I've read a lot about this over the last couple of days. You know, this agreement is not about the league and the players winning or losing. It's about the game winning. It's about getting our players back on the field for our fans and our partners and continuing Major League Soccer's 26th season.

By the end of this CBA in 2027, and I haven't heard a whole lot about this mentioned until the media, MLS will have been able to experience 32 seasons without a work stoppage. That's unprecedented among the major North American sports leagues. It's a credit to our players, a credit to their union, and it's a credit to the MLS owners to create the kind of dynamic that could have labor peace for 32 years.

And as all of you know and you've heard me say this many times, our owners have been in investment mode for many, many years to help establish and support the growth of professional soccer in North America. We've built an entire ecosystem and something we are very proud of that has almost a thousand players on our rosters and in our academies. We employ thousands and thousands of employees who work in on-the-field and off-the-field roles. We have so many of our players after they retire working in the game for the league or the system around the league.

We've got millions of fans, and importantly our clubs throughout the U.S. and Canada, have been able to establish real core connections in the communities where we play and where our players and staff live. That's



something that we all should be very proud of.

We've built this league from the ground up, building stadiums, training grounds, player development programs, including MLS Next which you are all aware of, youth academies, so many things that defied what everybody thought top-level professional soccer could look like in North America. There isn't anyone 25 years ago that thought we would be able to create the ecosystem to create the league that we've been able to create over time and now we'll have labor peace through 2027.

And all of our players, our past players, our present players, all of them have been committed. They have been passionate and they have been incredibly involved in helping to grow the league. I want to thank all of them for their support and their passion over the last 25 years.

This agreement is going to allow our owners, our clubs, our players, all of our partners, both commercial partners and media partners, as well as all of our fans, to continue this quest that we are on that will be to build one of the great soccer leagues in the world, something I'm confident that we'll be able to achieve.

So I know that we send press releases out and there's been lots of details written, but I just thought I would talk about a couple of details.

While there will be no increase in the salary budget this year, no player under contract will have their wages frozen. That means somebody who has a three-year agreement that includes annual increases is going to continue to see those increases happen for the next three years they had a three-year agreement.

Importantly, the players achieved adjustments to free agency the last two seasons of the deal, and as all of you know, free agency has been a big part of our discussions with the union over the last number of agreements. This was crucial to the players, as was the increases in the minimum salaries and player bonuses. They bargained hard for it, and I'm pleased that they were able to achieve it.

So we are now going to begin our regular season on April 17th. As you know, the CBA negotiations were extended by a week beyond the original deadline of January 29. So as a result, we've moved back the start of the season by two weeks to allow our players and our clubs time to prepare. We will announce the date for the opening of training camps really soon and then we'll announce the regular season schedule in the coming weeks and the weeks ahead of us, hopefully by early March.

Now, as you all know, we have got a very, very busy calendar this season. It's going to be an exciting, exciting year for us. Our 26th season is going to see the addition of our 27th team in Austin. We are going to play in a brand new soccer stadium to a sellout crowd and we have two other world class stadiums that are going to open up in the State of Ohio, Columbus and Cincinnati.

So lots and lots of exciting things to happen in our 26th year. I want to thank everybody for joining us. Thank you for your patience over the last month and now I'm happy to answer any questions that you have.

So I'll throw it back over to Dan.

Q. With the further delay in the start of the season, do you get a sense of when you'll be able to get a large number or decent number of fans into the stands, seeing that game day revenue and game day experiences are so important?

COMMISSIONER DON GARBER: You know, I wish I had a better answer than the one I'm going to give you, which is we just don't know. You know, we are encouraged by the rollout of the vaccine under the new administration. We obviously have challenges in Canada. I'm sure we'll get questions on that. We really don't have any exposure to it at all.

I was pleased to see fans in the stadium at the Super Bowl in Tampa, and I was pleased to see limited numbers of fans in some of our stadiums, including in Columbus, for MLS Cup. But we have no exposure to what those numbers are going to look like. Though I can assure you that I don't have any sense that fans are going to be in our stadiums in large numbers for probably most, if not all, of the season.

Q. You talked earlier about the financial concessions. I was wondering if you could put a dollar amount on that. In the beginning you were seeking upwards of 110 million. Is there an exact figure? As a follow-up, Bob Foose said he felt like the relationship between the players and the league was "transactional," which I interpret to mean less of a partnership. What are your thoughts on that?

COMMISSIONER DON GARBER: Again, when you've been around as long as I have, we don't really talk much about the specifics of the financial aspect of it. So numbers have been bandied about that are pretty fair for people to assume, but I'm not going to give you any more details on that.

Listen, I do think we need to work harder collectively, not

just the league, but we need to work collectively to have a better relationship with our union. That being said, I really don't agree that the relationship is transactional. I mean, we -- unions and management bargain and negotiations are difficult around CBAs.

When we are not going through CBA negotiations, we have a good relationship. I was having this discussion with some of our staff earlier today. We don't have an arbitrator that has been selected by the union and by MLS to deal with issues. We deal with lots and lots and lots of issues throughout the year and throughout the years, and we are able to get through all of them. I think that's a credit to the professionalism of the union.

And I think it's a credit to how important we think it is to address the needs of our player pool, whether that's discipline, whether it's head injuries, whether it's working together as a committee on infectious disease issues and coming up with a joint committee to deal with our health and safety protocols. We work together on the social justice programs and supporting the Black Players for Change and Pitch Black and all of our other entities that are working to try to make progress in this important area.

So what -- I'll put a last comment on it: We haven't had a work stoppage, right, and I think that's important for us, not just this negotiation, but so far ever. And that's a credit to the respect that we have for our union. I think it's a real credit to the professionalism and the expertise of the union and its negotiating committee. The negotiating committee and their three-per-team is very actively engaged in these negotiations. That's unusual. And I think there's a give and take that allows us to be able to work together to try to build this league.

I will tell that you I'm pleased. And I'm sure Bob Foose would agree, that we don't have to negotiate again for another seven years. That's probably going to add years to both of our lives.

Q. Asking questions about the year ahead, which as you said would be very busy. You have a 34-game season, multiple extracurricular tournaments. How will you decide who plays in the Open Cup, in the League's Cup and will there be a limit on participation in tournaments? Will each team only play one just because there's not time to player more? And at the end of the season, there's still a force majeure clause in the CBA, so what has to happen for the league to consider triggering that again once all these games and all this congestion is over?

COMMISSIONER DON GARBER: It's a really good question, and there's a lot of work that need to be done on

the competition side. We have twice-a-week discussions with our product strategy committee. There will be CSO calls to go through how we are going to decide on who participates in the U.S. Open Cup, what our competition calendar is going to look, like, how do we manage League's Cup.

These are all important priorities for our league, and kind of spoke to the necessity for to us get this resolved during the time period that we were able to achieve. So I don't have an answer to you, but I could assure you that we are going to be able to finalize all those issues very, very soon.

As it relates to the force majeure clause, I certainly hope for all of our sake that it doesn't ever have to be invoked again. It is not something we have discussed, I think not just for our sake but for humanity's sake.

I think all of us want to get past this pandemic and figure out what the next normal is going to look like. I think I speak for everybody in the sports industry and live event business, we are ready to get back to work and get our fans back in our facilities, get our players back on the field and be able to have normalcy with what will be new health and safety protocols and hope that we never have to trigger that force majeure clause ever again.

Q. When play was continued in 2020, I believe all flights were chartered. In 2021, will that policy continue, and also, how, if at all, was the travel policy formalized in the revised CBA that was just concluded?

COMMISSIONER DON GARBER: Well, that's a good question. As long as we are managing through the pandemic, we expect to have -- to travel our teams, our players, via charter flights.

But the new CBA, which addressed this, and you all know, you've been around a long time, how important this was for the players, and really I think important for our evolution, the new CBA sort of continues the progression of charter flight that we had agreed to in the past.

So I can't tell you when it's going to go back to the progression that we had in our CBA. I'm hoping that we get through the pandemic quickly. Until we do, though, we're going to be incurring the expense of chartering our teams around.

Q. What is the plan for the Canadian teams? Do you expect that they will be playing their home games in the United States again? And secondly, the NBA put out a policy today saying that they will require the National Anthem to be played before games after Mark

Cuban had said that he wouldn't play it.

COMMISSIONER DON GARBER: Our policy as it relates to the National Anthem hasn't changed. When we do not have fans in the stadium, we will not have a National Anthem. When we do have fans in the stadiums, we will have the National Anthem, and that's not something that I see changing.

You know what is going on in Canada is very challenging. We continue to work with our teams to engage with the Canadian authorities, the Canadian version, Health Canada's version of the CDC on this issue, and we are going to abide by whatever the rules are that are established by Health Canada.

As you can imagine, all three of our teams are working on alternative plans as to where they are going to be, certainly in the short term, playing their games, because it doesn't look like we'll have immediate exposure to this in the near team.

And I feel for our Canadian clubs and our Canadian players. It's a big challenge.

Q. Has the league had any discussions with ESPN and FOX about extending the national TV deals or figuring out a way to advance future television money forward to help cover the current shortfalls?

COMMISSIONER DON GARBER: Yeah, maybe you could give them a call for us. It hasn't been something we've discussed as it relates to early renewal to help with the pandemic. I think it a very good question.

I think if the pandemic has had any effect on media generally, and you're seeing it play out with different decisions that different media companies are making, it's something that we'll have to manage to when our agreements are up.

I think it's important that -- we have really great relationships with ESPN, FOX, Univision, our Canadian partners and we have two more seasons remaining on our current agreements.

So I am pleased we have two more seasons, frankly. I don't necessarily want to begin those discussions now while we're still managing through the pandemic. And frankly, I think as media companies are trying to figure out what their new normal is going to look like.

It's important, too, I don't know if this was something that was part of your question, but we were able to fulfill all of our obligations to our media partners in 2020 and they

were very, very supportive of us as we were in the bubble and playing with a totally unique and different, changed schedule; that they were very supportive of us.

I'm bullish, as bullish as I've ever been. I think next seven years are going to be the most important and exciting time in the history of soccer in the U.S. and Canada. All of our right have a term that is contiguous; meaning local rights, our digital rights, our rights in the U.S. and Canada are over-the-top rights, network rights are all co-terminus. So that we will be doing out with a package that I think will be relatively unprecedented, including our international rights, by the way.

So I'm very bullish about it, and I'm looking forward to those discussions.

Q. The last year has been all about putting out fires, figuring out how to get to the next day. I imagine not too much time for long-term planning. 2021 obviously will still have an element of that where we are still in the midst of the pandemic, but if we begin to come out of the pandemic and craziness of the last 12 months and hopefully emerge into a calmer period, what are your biggest priorities for the league moving forward?

COMMISSIONER DON GARBER: It's a very good question, and I think everybody should know that MLS has teams of employees that are focused on various aspects of the business, and even while we're managing through a pandemic and our resources are under lots of pressure, there is a very focused team that is engaged on the CBA discussions, and while that team is focused on the renewal of the CBA, our commercial group is working on renewing sponsors.

There have been a number of new deals that have been announced in the last couple months and some new that will be -- new ones that will be announced in the months to come.

Our MLS Next and player development group has been working both internally and with all of the MLS clubs on deep, deep expansion of that program. I know you know; you're close to this. We're very, very focused on what the opportunity is to continue to build a youth pipeline that has proven to be so successful.

We're looking, as you know, at what the future relationship we have is with the USL and what is the opportunity for us to continue to expand the lower part of our rosters. We're deeply focused on academy, facility and stadium development projects, and expansion and what will the roll-out, how will we manage the roll-out of our new teams in St. Louis and in Charlotte and in Sacramento.

So the challenge of the pandemic and the challenge of the CBA negotiations has not really stopped any of our future planning. I think there are two key things, and the question was asked before that are really a very, very focused part of our planning.

No. 1 is the renewal of our media deals, which are through the next couple of seasons, and we've been working on that and very, very focused on insuring that we have the best possible relationship in a new media environment that can help connect with our fans and drive more revenue.

And then very, very importantly, is a plan to continue to continue to lead the growth of the sport here in North America as we prepare for the World Cup, and there are so many things that I think are very exciting for everybody involved in the MLS ecosystem, both in our markets and outside of our markets to focus on what I think will be a very transformational period of time for our league.

Q. I think at one time it was estimated that this last year might have been \$1 billion in losses for the league, and I think you said at one point that you didn't think that any operation could survive two successive years of similar deficits. Is there a forecast this year for profits and losses, and is there a dollar amount investors are willing to accept?

COMMISSIONER DON GARBER: I think the good news here is that we have worked on a new long-term agreement that allows us to recoup some of the losses over time from the losses that were going to occur this year, and we are forecasted to lose pretty close to that billion dollars, if not a billion dollars that we had been talking about. You know, when you don't have fans for the majority of your season, it's just pure math.

That said, our owners have been very, very focused over a long period of time to build a league but their resources are not unlimited. We have to drive revenue and we have to think about new ways to approach our business.

We have now achieved stability long term with a new CBA. We have to look at new creative ways to drive revenue in Soccer United marketing. We have to think about our partners in Soccer United marketing. We have, as you know, a relationship with CONCACAF soccer and with the FMF and with the Mexican Federation; and how do we continue to expand on those relationships so that we could continue to work together to drive the growth of the sport.

I think you're seeing some positive results on the player development front and that's a new achievement for us and it's something that we are excited about, but that requires a lot of investment. That certainly hasn't been something that's necessarily paid off. But at least we can start seeing that there's real, real opportunity player development opportunity in years to come.

I'll finish it off, I think you were in my first press conference when I joined my league in 1999. The league still has those original owners in it, and it's been expanded to include new people that love the game and are committed to it. And our role in shepherding this league and me leading it, is to ensure that I can continue to have them invest so that the league is bigger, better and stronger ten years from now.

Q. You addressed this before, but Toronto FC president Bill Manning has said he's hopeful that his team would be able to start the season at BMO Field. Of course, nobody is sure at this point, as you said, but are you hopeful that the Canadian teams might be able to open at home, and if not, would you guys be sort of negotiating with the various Canadian governments, local provincial, federal, during the season to maybe make that happen as the season progresses?

COMMISSIONER DON GARBER: Yeah, it's hard for me to say whether I'm hopeful or not. Bill is probably better to talk about it as it relate to what's going on in Canada.

As I said, what our approach has been in Canada is to have our teams and their owners, who are very, very well connected in the three provinces, to engage with the local Canadian authorities on this topic and they are all leaders in their community.

So I will say that the league has now -- will engage with the three clubs and their ownership and probably get more involved in engaging with Health Canada.

But as far as optimism is concerned, it's hard for me to really comment on that.

Q. One quick thing on Salt Lake. Do you have an update on where the league is with the sale and do you have a timeline on when it might be completed?

COMMISSIONER DON GARBER: We have taken over the sales process very recently, and we are very, very engaged. I'm encouraged by the interest.

MLS teams have lots of people that are interested in investing in them. That's taken a little bit of a pause during the pandemic, but I think in Salt Lake, it's a very, very unique club that has deep connections in the community. There are not a lot of teams, pro sports teams in the Major

Leagues, in the State of Utah. The team has a great connection in the community.

So we are very, very actively involved. I would say that I'm optimistic that we will find new ownership for the club but we haven't put a timeline on it. Just really, really focused on having those discussions and engaging with local people.

I think John Kimball, who has been assigned to be the CBO of the club and reports directly to the league office is doing a really good job. He's been signing players. They have been making progress on the commercial side. So it's really business as usual until we are able to find a new owner.

Q. Were the MLS teams that are participating in the Champions League be allowed to open training camp before those that aren't this season? And are there any concrete specifics that you can share on the Youth 22 initiative?

COMMISSIONER DON GARBER: I think you just have to give us a little more time to answer the first question.

But clearly we're going to be focused on insuring that the teams that are involved in the Champions League have the best opportunity to succeed, but the timetable has not been set as we sit here today. But it could be something that we're able to finalize and announce very, very shortly.

And the Youth 22 initiative is important. As I mentioned before, it's one of our big priorities. I think it's an opportunity for us to bring in young players that can make a real impact in our league and make an impact quickly. So it's one of the things we're very focused on.

Q. I'm guessing Canadian teams are probably going to be starting off here playing against each other, I don't know if you can confirm that, but once they do get going and set up in the United States, who takes on the burden financially of that? I'm guessing the league has got to be helping, but to what extent? And my second question is there's been a lot of pushback here in Montréal concerning the new name, new logo. It has not been very positive at all. How do you feel about the fact that so many fans are not liking the rebrand?

COMMISSIONER DON GARBER: You know, so let me take the last one first. The people who like it are much quieter than the people who don't, right, and I think that's just the nature of rebranding overall. You look at almost every major rebrand, whether it's in the consumer product business or sport business, it takes time for people to sort of come to terms with and get comfortable with a

rebranding and we certainly have seen that in Major League Soccer.

I've got a lot of faith in Joey Saputo. I've got a lot of faith in Kevin Gilmore. They went about this for the right reasons. I think Joey had this great group. In order to make more impact with our club in Montréal, we need to move away from the Impact and have a brand that reflects what this team is, which is a team up in Montréal in French-speaking Quebec and connecting with great history and great legacy for professional soccer in Canada.

I like the rebrand. Our people were involved with Kevin on the creative. I think in time, people are going to really love it.

But it doesn't surprise me that there's a loud voice against it. I understand it and accept it.

We have not yet made any determination. It important whether the Canadian teams are going to be playing up against each other in Canada as is happening in the National Hockey League right now.

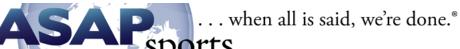
Our focus right now is trying to get an understanding as to when our teams can play in their home markets and in the event they are not able to as our season start is front of us, having them have homes in the United States where they will be able to do so, sort of like they did at the end of last year, be able to play their home matches.

So nothing to report there, but as you can imagine, it's something we are working on and trying to understand every day.

Q. On the topical priority of expansion teams and expansion operations, have you been presented any concerns as far as the teams that especially in the 2020 season did debut in MLS, so Miami and Nashville, as far as financial plans and concerns and hardships that they endured, and of course Austin in 2021 and are there -- is there a possible tier for them as far as the 2011 season and maybe even the 2022 as far as participation, as you mentioned earlier, League's Cup and other competitions and maybe even some sort of backing because of their financial hardships.

COMMISSIONER DON GARBER: Yeah, it's a good question. You can imagine launching a new team and not being able to have a home match in the start of the season as Inter Miami had to manage through.

I was fortunate to see a soccer record north of 60,000 in Nashville and to get back into your stadiums and not really have many fans is just -- it's just really, really upsetting,



and I feel for the fans and players and staff and owners in each of those two markets.

But we've got to deal the cards that we have and they are going to have to manage that again this year. Both of them, Nashville and Miami, had significant financial challenges, along with our other clubs. I think what was lost there is this idea that you have that unbelievable moment which is your first year where you're going to have make their second year when they get fans to be their first year.

Our marketing staff is smart and they will work with the presidents in each of those markets and try to manage a way to figure that out. They are not dealing with their losses any different than other teams losses and we are not looking at different competitions or treating them different competitively in any way.

And on that, I know that was a long question from my friend in Montréal. The league does provide financial support to our Canadian clubs. How much is something that I'll leave between us and our teams. But obviously they have to incur financial cost because of the inability to be in their home markets, and the rest of the league ownership, if you will, the league entity, has been providing support in order to lessen that blow.

Q. I wanted to ask about COVID vaccination. Does the league have a plan in place to roll out vaccinations to players and team staff? And regardless, is there going to be a mandate that players have to be vaccinated or anything like that?

COMMISSIONER DON GARBER: It's a great question. I was in Miami last week and as I was driving up to the Inter Miami temporary facility, there was hundreds, if not more, cars lined up outside because the Inter Miami facility is being used as a vaccination site.

I know a number of our other facilities, particularly one in California, is being used as a vaccination site, as so many other sports facilities that you are all well aware of. So I'm pleased about that.

But we have not put our players or our staff front of any other -- anybody who is in need of the vaccine, and that's something I felt very, very strongly about. Even if there are the so-called left-over vaccines, we have worked with our clubs to be sure that they are made available to those that have pre-existing conditions or elderly people, those that really do need the vaccine before younger, healthy -- healthy players and/or staff.

We have not made any decision on whether we are going

to require vaccination of our players. I will say I can't imagine a world where we would. I don't think that that's something that we would force upon our players. Our teams will make the decision as to what they are going to do as it relate to the vaccination of their staff.

I will say that I'm encouraged that more and more vaccines are available. And I will say that I hope that our league, like other leagues, can be a leader in this space. Particularly when we have lot of Latino and Hispanic fans. We have lot of black players and black fans, and I hope amongst those groups which seem less likely to want to be vaccinated; I hope that we can live in a world, certainly live in a country in the U.S. and Canada, where everybody is vaccinated so that we all can be healthy and we all can get on with some normalcy in our lives.

Q. My question is about kickoff times -- just kidding. Governor Cuomo announced today he was going to allow fans in reduced capacity in stadiums in New York, which I imagine was good news to you. I wonder if I could get your reaction to that decision. Do you have any sense that Governor Murphy in New Jersey may follow his lead? And do the practical realities of playing in Yankee Stadium mean that it is not a potential solution, even though it's appealing to your Canadian teams?

COMMISSIONER DON GARBER: You mean Yankee Stadium is appealing to our Canadian teams? Is that the question? I'm not sure I'm aware of that.

Q. The last part, does the practical reality of switching Yankee Stadium in and out for baseball, does it make it harder to bring in Montréal and Toronto to set up camp in a stadium?

COMMISSIONER DON GARBER: Yeah, I think it does. I think it is more difficult for our Canadian clubs to go down and play in Yankee Stadium.

Hang in there. We're really close to being able to announce where our Canadian clubs will be able to play. But Yankee Stadium isn't one of the locations that we've been considering.

I am encouraged by Governor Cuomo's announcement and his optimism. We obviously are anxiously awaiting more details. We have not heard anything from the State of New Jersey, but the more optimism and the more positive news that come out of state houses for our league and for the rest of the sports industry, is something that we're all anxiously awaiting for.

O. Speak of Yankee Stadium, I know a lot has

happened in the last year, a lot of projects have been pushed back a year. NYC FC's new stadium, any updates that you can share with us on that?

COMMISSIONER DON GARBER: I don't have anything to add. I remember saying this on press conferences for ten years, that I get asked a question about Miami and I'd say, I remain optimistic because I knew conversations were going on and we just needed to ensure that we had everything put together in a way like Miami's case where we have a great team with great ownership and great temporary facility and optimism about their plans and Miami freedom park, and I feel the same way about New York.

I will tell you that Ferran Soriano and Marty Edelman are as active on the MLS board as any ownership group on a wide variety of different committees, and we continue to talk about how we can work together to try to get that stadium over the finish line.

I can't think of a better person to be negotiating that than Marty Edelman, and I know those discussions and negotiations continue. But I don't have any firm date or anything remotely close to that to be able to add today.

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