# Major League Soccer Media Conference

Tuesday, December 7, 2021 Commissioner Don Garber

State of the League

THE MODERATOR: Good morning, and welcome to our journalists for joining us today on Major League Soccer's State of the League address with MLS Commissioner Don Garber. We're joining you today from Major League Soccer's headquarters in Midtown Manhattan, kind of our virtual studio, for today's State of the League address as we cap off our 26th season.

Today's format, standard format that you're all used to. We'll have Commissioner Garber make some remarks to kick things off and then we'll turn it over to our journalists.

Exciting matchup this weekend in Portland. Commissioner Garber will share more. Now, let's turn it over to Major League Soccer Commissioner, Don Garber.

DON GARBER: Good morning, everybody, and thank you all for joining us today for the annual MLS end-of-season State of the League. As you all know, our 26th season will culminate this Saturday when the Portland Timbers host their first MLS Cup at Providence Park against NYCFC playing in their first MLS Cup.

The game will take place at 12:00 noon local, 3:00 p.m. eastern, and we broadcast in English language on ABC Sports and in Spanish on UniMás. The game will also be broadcast in Canada on TSN and TVA and in nearly 200 countries around the world, and that's a record for us.

This was another year of momentum for Major League Soccer both on and off the field. I'm going to talk about that a bit. Give me a couple minutes and then we'll go to questions, as Dan had mentioned.

Austin FC joined the league as our 27th team this year, with fans selling out every game in their brand new stadium and showcasing to the world another example of MLS at its very best.

In addition to the spectacular Q2 stadium in Austin, we opened up two other stadiums, Lower.com Field in Columbus, and TQL Stadium in Cincinnati. If you haven't seen all three of them, they are absolutely spectacular. Each one brought a whole new level of design, of fan



amenities, of technology, and certainly of energy for their local supporters.

Over the past two decades, we've witnessed the construction or transformation of 24 stadiums that have been designed specifically for soccer. Our players and our fans, from the very beginning, we've said they deserve their own homes, a place to celebrate the game that deeply connects our clubs in their local communities, and that's an important part of why we build these stadiums.

It shouldn't be lost on anyone that the MLS owners have invested more than \$4 billion in stadium development alone, and that speaks to their deep belief in the future of the sport in North America, as well as their commitment to building a league that we all can be very proud of.

We started this year with little sense as to how the pandemic would play out. I certainly did not think it would be year two of a virtual State of the League, but we were able to get fans back to our stadiums in all markets for most of the year.

Our broadcast ratings and other fan engagement metrics were all up year over year. We had our strongest playoff ratings in our history, including a record 1.8 million people who watched Thanksgiving Day matchup on FOX, and that was our first Thanksgiving Day matchup, and what a match it was.

The New England Revolution set a new regular season points record, young home-grown players like Ricardo Pepi, Buchanan, George Bello, just to name a few, made a real impact for their clubs, and as I know you know, our under-22 initiative, which is brand new, has proven to be a very important strategic initiative for our league.

Some of the league's most important and well-known players retired this year: Our goal-scoring record holder Chris Wondolowski, Federico Higuain, Matt Besler, and of course Justin Morrow, our Humanitarian of the Year and the founder of the Black Players For Change.

Ultimately when I think back at this season, we once again demonstrated the role that Major League Soccer plays in both elevating and growing the sport here in North America.

Coming out of the 1994 World Cup, and again we're mindful of the '26 World Cup coming, we had a promise to launch a top-flight professional soccer league in the United States. Our owners knew that they had to focus on building a soccer nation, originally just in the United States and then obviously in Canada.

The challenge for our sport was different than with most. Soccer needed this league to raise the game at every level, from youth to adult to the national teams, and obviously to the professional ranks.

Despite the skepticism about whether pro soccer would make it here, from the very beginning, our owners embraced that responsibility, and not just our owners but our staffs, our players, and thanks to everyone that's part of the MLS family, our fans, our partners, we built MLS from an idea into a respected and even admired 21st century sports league, delivering value for everyone who experiences enjoyment from or contributes to the game.

Now, during the last 26 seasons, innovation and introspection looking forward while also looking inward, have been core to the growth of Major League Soccer. While remaining authentic to the world's game, we've held true to our principles and values. We tried to make the sport better, while also making our league better, and this season I believe we did that more than ever.

On the cusp of next year's World Cup and the lead-up to the World Cup in '26 right here in México, the United States and Canada, we're in the midst of the most exciting period in the history of soccer in our lifetimes. The professional game is growing at every level, and that, of course, starts with our fans.

Now, I remember during my first year as commissioner seeing the Screaming Eagles and the Barra Brava shaking the stands in RFK, and I knew we needed that in every stadium, in every market, and I recall thinking that our time will come when supporters will become our truest point of difference.

Two days ago, Jay Sugarman and I met with the Sons of Ben and we thanked them for believing in what soccer in Philadelphia could be, even before they had a team. In Portland, Timber's Army's faithful will begin lining up on Friday morning to be sure they get the perfect seat to see their club in their first home Cup match.

What we saw this past weekend in Portland and again in Philadelphia we see every week across our league. Throughout our league, our clubs have formed a bond with their supporters and their communities to create a passionate and ever-growing fan culture. It is the calling card for our league.

The supporters' movement is also thriving in the NWSL and the USL and other leagues in the United States and Canada, and nothing makes us prouder in Major League Soccer than to hear the roar of fans wherever professional soccer is being played.

While ultimately we play the game for our fans, we continue to focus on ways that we can provide opportunities for a generation of people who love the game and want to be a big part of it. MLS has nearly 10,000 full-time people working for our league and clubs at all levels. Many are ex-players, and with our new focus on diversity, on equity and on inclusion, you will see more and more opportunities for underrepresented groups.

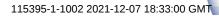
This year will also be known as the year we double down on our commitment to youth and player development with the launch of a comprehensive pro pathway for players throughout the United States and Canada. After launching MLS Next during the peak of the pandemic last year, we now have more than 600 elite youth teams, more than 11,000 kids, some by the way as old as 12 years old, that are competing in a 10-month season.

Right now our showcase is going on in Arizona, and don't forget that tens of thousands of kids throughout both countries who compete in teams that are affiliated with our clubs or participate in our clubs' programs and clinics. This is the first step in providing best-in-class youth development and the best-in-class professional environment for players and coaches.

This is literally the beginning of our youth soccer commitment, and there's no doubt that this commitment will transform the sport in both countries, the United States and in Canada, in the years to come.

As you might have read yesterday, we announced MLS Next Pro, a brand new league that will compete and complete the pathway between our elite academies and our first teams. This is one of the most ambitious projects in the history of Major League Soccer, and will be the next step in the evolution of the success that we've had with our youth academies.

That's not just measured by the players that have moved from the first team, guys like Tyler Adams, Alphonso Davies, Brenden Aaronson, James Sands playing for NYCFC, Ricardo Pepi, but also and very importantly measured by how those academies have connected our clubs, both in the broad community but also in the soccer community.



For player development to match what happens in the most powerful soccer countries, we need world-class facilities and safe access for kids to play the game. Over the past few years, MLS clubs have invested literally almost \$500 million in training and development facilities. If you haven't seen them, you should. They rival some of the best training facilities in the world, and through MLS Works in partnership with our great sponsor Target and with the U.S. Soccer Foundation, we've constructed more than 600 mini pitches throughout the United States and Canada. NYCFC alone just unveiled their 50th mini pitch and have announced plans to build another 26 pitches across the five boroughs here in New York City prior to the 2026 World Cup.

As you might have seen with yesterday's announcement, MLS Next Pro will be an exciting and competitive league for both investors and communities that don't have a pro team that want to see the most promising young players in the U.S. and Canada competing in a top-class professional environment. It will be driven by innovation, both on and off the field. Imagine the things that we can do with technology, with new ideas with this new league. We'll have a focus on developing the next generation of players, the next generation of technical and business staff, and as always, with Major League Soccer, we'll have a real focus on diversity.

More broadly, as you might have seen this morning, we announced a new MLS diversity hiring policy as an important part of our league-wide effort to increase diversity, equity and inclusion at all levels of our game. The new policy, which replaces the first policy that we implemented way back in 2007, remains rooted in our intention to create job opportunities for underrepresented groups in the technical ranks at MLS and soon at MLS Next and MLS Pro, especially within the Black community.

I'd like to thank our new head of DEI, diversity, equity and inclusion, Sola Winley, and the working group that worked with Sola which included members of the Black Players For Change, our head coaches, club presidents, our technical folks and members of SCORE for the thoughtful work that they did to positively impact the entire MLS ecosystem.

I'd also like to thank our owners and our DEI committee who championed this work, and this will be a process that will continue to drive progress in our league.

Let me take a quick turn to the commercial side. As you all know, our media rights will expire at the end of the 2022 season. We've been out in the market with an unprecedented package of rights that will include every MLS game, whether it be a local game, a national game, an international game, out of market, or whether it be linear or streaming. There will be more details to come, and I have every expectation that a new media rights agreement will be finalized during the first quarter of 2022.

Obviously we're in the market with the rights for our recently announced Leagues Cup, which is our joint venture with Liga MX, and that tournament begins in the summer of 2023.

We see the new Leagues Cup as March Madness meeting the World Cup, group play leading to a knockout round with winners getting automatic berth in the CONCACAF Champions League. 80 games over one month in the only league v. league soccer tournament of its kind anywhere in the world.

Our two leagues work very closely with Victor Montagliani and his staff at CONCACAF to create an exciting and compelling and innovative club tournament that we all believe will drive interest throughout North America and the world in our leagues and also for our confederation.

Looking ahead to '22, we'll see the debut of our 28th club in Charlotte. Fans and corporate partners have truly embraced Charlotte FC with nearly 20,000 season tickets already sold. For their first match on March 5, Charlotte FC have already sold more than 40,000 tickets and they've set an ambitious goal of breaking the all-time MLS single match regular season attendance record that was set by Atlanta a couple years ago with over 70,000 fans in Mercedes-Benz stadium.

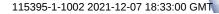
Nashville FC will open their 30,000-seat stadium in May, our largest, and St. Louis City's downtown soccer complex will open later in the year ahead of their debut in the 2023 season.

As Charlotte and St. Louis become the 28th and 29th clubs in Major League Soccer, we continue our discussions with markets and potential owners regarding our 30th club.

We're also very excited to look ahead at the 2022 World Cup, taking place in Qatar in the fall. Our league will be proudly represented on both the United States and Canadian rosters and on national teams around the globe. We anticipate that a record number of MLS players will be competing in the World Cup next fall.

Now, as we reach the end of '21, we believe that the soccer community in the United States and Canada is in the best place it's ever been, and it's only going to get better. Thanks for giving me an opportunity for some remarks, and now let's take some of your questions.

## Q. How long have you been working on these updates



to the diversity hiring policy? What are some of the goals that you hope to see come out of it? And you mentioned the release about expanding this to the front office in the future; how soon do you anticipate that being part of the policy going forward?

DON GARBER: Well, it really started with the hiring of Sola Winley, which was about a year ago, and Sola very quickly put together a plan, and the plan has got a number of components to it. We announced at our All-Star Game a relationship with the Black Bank Foundation. Some of the league's debt will be held by that foundation, and that's the first in professional sports. I look forward to seeing that be expanded hopefully throughout the sports world.

And then there are obviously a number of different initiatives. I think the most important one was the new diversity hiring initiative. So about a year in the making. It started first with the DEI committee that has Sola co-chairing that with Marty Edelman representing NYCFC and one of the guys that created the Jackie Robinson Foundation. That committee as you know has both players and staff and ex-players as well as our ownership.

We had the equivalent of the Rooney Rule in 2007, or 1997, I'm sorry. It's been some time. It needed evolution. The goal is to increase representation particularly among the Black community.

We need to fill the pipeline with candidates. We've got work that we need to do there. There will be a lot of programs and initiatives.

I mentioned the innovation and opportunities we're talking about with MLS Next Pro, so that will be an opportunity for us to develop that pipeline and provide more opportunities for technical folks.

We will be looking at expanding that to both MLS Next Pro and MLS Next soon. Again, MLS Next Pro was just announced. MLS Next has got a process that we've got to work through. So wait and see; that will happen within probably the next 12 to 24 months.

And then on the business side we're going to go through the working group committee of those that works on the policy but also those that now will be joined by our chief business officers to ensure that we have the right policy in place.

Best way to say in a long-winded answer is it will be coming soon.

Q. I've got a two-part question. As you stated in the last 22 years, MLS have built and produced the most

athletically pleasing stadiums for the beautiful game, including three for this past season. Had Real Salt Lake defeated Portland in their semifinal series, MLS Cup would have been played in Yankee Stadium. What perception do you think would have been if the final would have been held at a baseball park, given what the league has done with its stadiums, and also, is there an update on the status of finding a new home for NYCFC? I realize the fan base is impatient to have a stadium they can call their own.

DON GARBER: Well, let me start. I'm convinced that NYCFC would have sold out Yankee Stadium, so we would have had an incredible crowd, and I think it would have been a good environment.

The situation in New York as you know continues to evolve. The ownership group is focused. They continue to work in a variety of different opportunities. You've read about those. There's no secret to what both their challenges are and what their opportunities are.

I harken back to getting asked this question in D.C., and it took them 20 years to build Audi Field. I'm not saying it's going to take that long with NYCFC, but we've got to get it right. It's not easy to build stadiums in large cities, and New York is the largest in our league, so I'm confident in time they'll be able to have a stadium of their own. I hope I'm still commissioner at that time.

Q. On a similar front, MLS has just been working to break through in a crowded New York sports market regardless of stadium, just whether it's TV viewership or attendance over the years, in the ways that it has in Portland or Philadelphia as you discussed. How do you think NYCFC's success this season will impact the league's status in this city, and how can the league and the club best capitalize on a playoff run this year?

DON GARBER: Yeah, I think it's a good question. I spoke to Marty Edelman two nights ago. He told me that soon-to-be New York City mayor, soon-to-take-office Mayor Adams tweeted out "Congratulations to NYCFC, and I hope you chop some Timber in Portland."

I think that you've got to have success on the field, and you've got to have relevance. It's difficult in markets where you've got more than 10 professional sports teams, as you know, but I think the team is making progress, and I think getting into their first MLS Cup has done wonders for them, and I hope to see that pay off in season tickets for them next year, their television ratings on Yes and the contribution to the national rating.

## Q. This is a bit of a two-part question. You mentioned

Charlotte FC's ambitious attendance goals for their first year, so I'm wondering how the league feels about the club's ticket sales trajectory so far and that attendance goal and obviously their home matches will be played at Bank of America Stadium. You talked about the importance of soccer-specific stadiums. How does the league feel about Bank of America Stadium being a long-term home for Charlotte FC, and is that something the league is looking at, getting Charlotte a soccer-specific stadium in the future?

DON GARBER: Well, first, they're doing extremely well. Their season ticket sales are tracking -- I think right now they've got more season tickets at this point than Atlanta United had at this point prior to their joining the league.

Their commercial revenue is very strong. The team has become relevant. There's been a lot of press coming out of it. I think that Tom Glick is doing a good job and David Tepper is very, very passionate about Major League Soccer and about Charlotte FC.

I will say that we are very proud of the soccer stadiums that we've built, and in most markets that is the solution. But in some markets, as we've seen, we've been able to see great success with teams that are playing in large stadiums, as long as the MLS team owner is in control of that building and controls the stadium, controls the branding, controls the dynamic and the stadium environment.

It started with Seattle, which is a high watermark that was taken even higher in Atlanta, and frankly I think we're better off playing in Seattle and Atlanta than if we were playing in 20,000-seat stadiums. Their average attendance is north of 40,000 fans.

When we looked at Charlotte we basically accepted the fact that in that market, the location of the team, the relevance of the Panthers, the new ownership group, that this could be another example of us capturing the moment and trying to get the kinds of crowds that we're able to attract in a large stadium, albeit one that is not built specifically for the sport.

I will add that as part of our agreement with David and as part of the expansion agreement, they are, as you well know, making modifications to the stadium that will make it appropriate for soccer, both from a technical perspective and from a fan perspective. Those changes, those renovations are ongoing, and we're confident that it'll be successful.

Q. You mentioned in your remarks some of the steps the league has taken with young players in particular,

and ultimately the development and the sale of those young players. You've talked in the past about being the league of choice but also now a selling league, and over the years you've seen domestic and international players choose MLS to start their careers, and ultimately the league has given them the platform to move on to some of the best clubs and leagues in the world. When looking at this as a selling league, a development league, everything like that, that concept, how far along in that process do you think you guys are when it comes to achieving your goals with young players, and how do you feel the perception or the narrative surrounding MLS as a development league has kind of changed over the last few years?

DON GARBER: Well, it's a good question. I get asked this a lot about saying it was a selling league. It was really -we were a buying league only, and we needed to be like every other soccer football league around the world where we're both buying and selling. We still are buying more than we're selling, but we are reaching the point where we're able to create value for the players that we're investing in, the facilities that are training them, and becoming a league that is involved and engaged in the international marketplace, no different than any other league. We're on path to achieving our goals in that front.

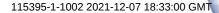
We ultimately, as I mentioned before, we spent more money and bought more players than at any time in the summer of '21 than in the last five seasons prior to that. So it is the balance that we're trying to achieve, and I think right now we're in a fairly good spot.

To your point, we're bringing in younger players. I don't think there should be in anybody's mind this idea of people coming to Major League Soccer broadly as a place to retire. There are always going to be players that are going to come the latter part of the year, and Zlatan went to Milan when he was 37 or 38, so I'm not worried about one or two players.

It really is where is our focus, and the focus is bringing in young players, our new U-22 initiative, which is significant and brought in almost 40 players from around the world that are coming in and contributing to their clubs, including, as you saw with NYCFC and Portland.

So far the process is working well. I think you'll see it continue to evolve and even get more valuable for our clubs.

Q. Just wondering if you can provide an update on the state or progress of your conversations with Wes Edens in Vegas. Are you still on schedule for some kind of announcement over I guess it would be now



the next 10 months? Are there any other ownership groups or cities that might be in the mix? And how does what's happening in 2023 with the Leagues Cup and the TV deal sort of change your calculus of when you want to get that 30th team on the field? You mentioned 80 games. You need 48 teams to do that, so I'm curious what kind of time pressure you're under.

DON GARBER: Right, a good question. We're making progress as has been allowanced or leaked in Las Vegas. We're excited about the market, as are all the other leagues here in North America. Wes is a guy that we all have longstanding relationships with. By the way, he had looked at our MLS clubs over the years. We'll continue those discussions and continue to try to get something done with our 30th team. Your timetable is a good one, within the next 10 months.

We have not yet determined when that 30th team would start playing. You're right, we did mention 48 teams in our Leagues Cup announcement. The 30th team will not be in by 2023, and that's something that everybody should be aware of. We hope to be able to have some great news as it relates to our facility plans in Las Vegas.

I want to point out that we're still in discussions with other markets, both Phoenix and San Diego. I think that the interest in Major League Soccer continues to grow. The value that investors look at when they're determining how they want to engage with professional soccer or even professional sports overall is at an all-time high.

News to come out sometime in the next 12 months, but a lot of progress being made.

Q. I know you've said that you believe the leagues should have more say with regard to FIFA's biannual World Cup proposal. I'm curious sort much where -- in terms of the merit of the idea, where you stand on it, and do you think there's potential that having the World Cup more often could increase the popularity of the sport in the U.S.?

DON GARBER: Well, I don't believe that the World Cup is the only driver of popularity, and you're not implying that. If you had a World Cup every year, I'm sure everybody would be excited about it. There's no practicality to it, and in my personal view, I think it dilutes what I think is the best sports event in the world.

Let me get back to your original question. I sit on the World League Forum executive committee. We just had an announcement that was made last year. The World League Forum is not in support of a biannual World Cup. The impact it has on our players, on our clubs, on our leagues is something that we think would not be worth what it would take in order to in some people's view grow the popularity of the sport, whether it's here or any other place around the world.

Now, by the way, I see the merit in what FIFA is trying to do, which is ultimately to generate a lot of revenue and distribute that revenue to those countries that are developing. I think there are many other ways to achieve that without having to go at it with a World Cup every two years.

I've made comments, and I've said this to President Infantino in a very respectful way. He and I have a very good relationship. I think Gianni is doing a wonderful job, and it's a challenging job to say the least. I think the stakeholders for the game need to have a say in the decisions that are made at the governing body level internationally.

At UEFA, for example, the FIFPRO, its clubs, the ECA, its league, the European League Association has a seat at the UEFA governance level, and the clubs and the leagues don't have a say at FIFA.

I don't think necessarily that that's something that will change, but I think good governance should drive -- will drive, good governance drives good decision making, it drives transparency, and maybe at some point there will be something beyond just consultation but actual engagement.

By the way, I don't necessarily think that anybody other than the 200 plus countries will dominate the decision-making process, and as well it should be, but it would be nice to be able to sit around the table and at least have a forum at the decision-making level on things that have a dramatic impact on stakeholders like the professional leagues.

Q. You guys have made great strides in attracting new owners. We're seeing the price of teams rise dramatically; stadiums and facilities as you've mentioned are incredible around the league. But there are still issues that you're working through in regards to competition, particularly with how your teams fare against their counterparts in México. With the Leagues Cup on the horizon, do you think the current system, roster rules, calendar, playoff format, all those things, maximizes the level of play possible at the current level of spending? And then a second unrelated question, can you give us an update on the RSL ownership situation?

DON GARBER: Sure. As you well know, you follow this

as close as anybody, we continue to do better and better against Liga MX in CONCACAF competition. We won the Campeones Cup in Columbus a couple months ago. We continue to do better.

I think if you were to ask Liga MX owners, if you were to ask those that are involved in that league, they see Major League Soccer on par competitively with their league, and certainly we're seeing that happen at the national team level.

That's gone in ebbs and flows over the years, and I think you'll see ebbs and flows in competition between our two leagues because until the Leagues Cup it's not an ongoing competition. There are in many cases just a select few clubs that are participating.

I think the purpose of the Leagues Cup is to provide a profile for the two dominant leagues in this part of the world and help CONCACAF have more profile, ultimately more revenue and more influence in the global game, and I'm convinced the Leagues Cup will achieve that. That's why Victor and the CONCACAF group was so supportive of it.

I want to remind you again, it's not just about our salary budget, it's about what our teams are spending both below that with home-grown player development and what they're saying above it in all the discretionary spending our clubs have an opportunity to do.

Ultimately I'm not convinced that spending is going to have a dramatic effect in the short-term. We've just got to get better. We have to be prepared more. We have a crowded calendar.

Obviously the CONCACAF Champions League happens at a time that is not optimum for us. The Leagues Cup in many ways will level set that.

Let's wait for 2023 and see how we do there, and in my State of the League address or maybe somebody's State of the League address in 2024 can answer that question whether the things that we've been doing from a development perspective and investment perspective have paid off.

RSL, listen, I have to give a great shout out to John Kimball. John Kimball has managed that club, reporting into the league office without having the benefit of day-to-day engagement of an owner and with Pablo has done a tremendous job. It is a great story for Major League Soccer. By the way, commercially, their season ticket sales are up for 2022. Pablo has done a great job with resources in many ways who are under pressure, so I'm proud of what John has done. We continue to be engaged with and in discussions with potential owners. You've heard rumors about that. I'm hopeful that we'll be able to get something closed. We had a timetable to get that done by the end of the year. We'll see if that's still achievable. That's only a couple of weeks away. If not I'm hopeful we'll get something done soon.

Q. Obviously you mentioned with Wes and all that and Vegas. How does the two teams, the Knights and the Raiders, their success out here, how does that play into it? Also we have the A's out here looking about possible relocation. Does that factor into the decision at all, like if they came here and if they were coming first before your announcement, would that kind of sour anything you're possibly working towards, the momentum out here in Las Vegas? And secondly, as far as the stadium out here, what kind of -- capacity?

DON GARBER: Well, I lost the second part, but I think I could figure it out. What the A's decide to do will have no impact on our plans whatsoever. I think you probably know that the owner of the A's is also the owner of the San Jose Earthquakes. John Fisher is a wonderful guy. He'll be a great owner, and I wish him success in whatever his baseball stadium solution might be, whether that be in Vegas or Oakland or anyplace else.

I am just blown away by what's going on in Las Vegas, and I've been in the sports business for a really long time, and I didn't see it coming. You might know that Lamar Hunt in the earliest days of Major League Soccer upon its founding year, early founding years, met with Oscar Goodman about Major League Soccer. We're talking 26 years ago.

I've met with both Oscar and with Carolyn Goodman many times over the years. We've had a number of different goes at looking at Vegas for five, six, seven, eight years. This is the approach that we feel the most confident in.

I am just -- what has been done with the Knights, what Bill has done is remarkable. I think it's one of the great expansion team launches in the history of professional sports, and what Mark has done with the Raiders, both on the field and with Allegiant is spectacular. We're very bullish about the market, and we'll continue to plow forward.

I can't really comment on what our stadium plans are at this point because they're still fluid, but hopefully sometime in the next couple months we'll have more to talk about.

Q. You mentioned at the top the success in Austin as far as the spectacle. Can you just expand on that, what you've seen from Austin, and is it fair to say that

Austin has exceeded your expectations for what it could look like in this city, and what have you learned about sustaining that kind of off-field success? And then a second part, just building off of the Liga MX partnership, you guys had the All-Star Game this summer in Los Angeles; is there any plans being made to continue that future MLS versus Liga MX All-Star games?

DON GARBER: So let me respond to the first part. Without doubt, Austin has exceeded our expectations, and I've got to give a real shout-out to Anthony Precourt. This was a traumatic process for Anthony, for his family, for Major League Soccer, but I think he saw something in Austin that has turned into, as I said early on, MLS at its very best. Terrific brand launch, great fan engagement, unbelievable stadium, the environment, the rituals, it is what Major League Soccer wants to say about itself as we position ourselves against and part of -- against the rest of the world and really part of the top leagues in the world.

Matthew McConaughey is active. Matthew, as you know, is the minister of culture for the university, the minister of culture for Austin FC, and he's engaged. I speak with him about marketing, I speak with him about branding, about things he could do to help the league grow.

The local ownership group, and I think this is important, it's not just what Anthony has done, it's Eddie Margain, who's his partner, and other local investors, so they have the connection to the community that Anthony now lives in in Austin, so check, check, check on so many different things, and I think it's just the beginning. This was their inaugural year.

As it relates to the next All-Star Game, the next All-Star Game will be in Minnesota, as we've announced. We haven't come up with a format yet as to whether or not it will be MLS versus Liga MX. Clearly that was a great game, and that was a competitive match, and beating Liga MX was something that was a lot of fun. I'm smiling because I know I don't think they expected to get beaten at Bank of California this summer.

We'll see what happens with the opponent. We're going to make that determination sometime over the next number of months.

Q. As you guys have already announced, Nashville is going back to the Western Conference this year. What is your vision of kind of how the conference alignment shakes out? Is it going to remain a two-conference league? And then you mentioned two markets in addition to Vegas in Phoenix and San Diego. Does that portend maybe a long-term Eastern Conference

#### destination for Nashville?

DON GARBER: Well, as you can imagine, it is being debated significantly amongst our board and clearly amongst our technical and business folks. Best thing I could say is we know where they're going to be next year, and we'll have to figure out what happens with them in terms of what conference they're in in 2023.

There is no plan to expand the number of conferences to date. Once we make the final decision on 30th teams, I suppose we'll look at it as we look at everything, but I'm not foreshadowing in any way that there might be changes to it.

As it relates to San Diego and Phoenix, I think the point here, and I don't know if anybody is going to ask about MLS Next Pro, but the development of professional soccer in our country is nothing short of remarkable, and Major League Soccer is only 26 years old. At a point prior to that where there was not a professional league on the men's side or the women's side at the first division, and now I believe that we can support professionally 100 professional teams, and Major League Soccer is not going to have, at least in our current thinking, more than 30. So think about what the landscape is going to look like and what all of that will do to develop the game at so many different levels, fan level, facility level, player development level.

I will say to the group here that we don't have any plans to expand beyond the 30 teams at this point, but like everything else, life is a long time. I don't know what professional soccer is going to look like 10 years from now or 20 years from now and how many divisions there will be and what our league will look like or what the other leagues will look like, where the women's game fits in.

What I will say is we're very bullish about the professional game, and I think there's a lot of opportunity for us all.

#### Q. Two quick things if I can. One, is it safe to say Vegas -- just to confirm, Vegas is the frontrunner at this time to be the 30th club?

DON GARBER: Yes.

Q. And then the other question is given how long it's taken to -- I know there were some issues in the early few months and the league coming in and taking over the sales process, but is there any pause for concern about how long it's taken to find a buyer with RSL and any pause for concern about the health and attractiveness of MLS to future owners, future investors?



DON GARBER: No. I mean, the absolute opposite is true there. As you know, you follow this closely, multiple folks interested in RSL. It's a complicated situation for all the reasons that everybody knows. But there is no question that the level of interest in investing in Major League Soccer is at an all-time high.

You saw the valuations that came out in Forbes, and those valuations aren't made up, the recapitalization of ownership groups for our teams, and some of them as high as north of \$700 million. I would say without doubt that the level of interest and energy to invest in Major League Soccer has never been higher, and by the way, and in the USL and in the MWSL.

I think that is a very positive thing for the professional game overall, and not at all related to whatever the situation is in Salt Lake.

Q. You talked about the initiatives and regulations that are helping and will boost the development of young talent, and at the same time we saw from past years how international young talent is coming more and more to MLS. Is there any thought around the league in the possibility of those international young talents coming out in a big number maybe blocking the path for the local young talent, maybe regulations, under-23 rule, whatever it is, that help those young talents to keep a big chunk of the possibilities to be on a first team roster?

DON GARBER: That's a good question. You know, I'll answer it in a more comprehensive way. We're very close to the Mexican league. The Leagues Cup is not just about a competition, there's all sorts of things going on, and we follow very closely how they've been developing domestic players, their relationship with their federation. They've had domestic player rule with minutes and the like and then they got rid of it, and there's so many different things that have happened in the evolution down there to ensure that they're driving the success of the domestic player.

Now, look at where Major League Soccer is and its relationship to developing players that are now the stars and the regular starters for our national team. A vast, vast majority of those players have come through Major League Soccer in some way, whether it's early on in an academy of Jay Arena (phonetic), or it's players that are playing in our league and moving on, Tyler Adams, the examples are countless, Brenden Aaronson. It's on and on and on.

I don't think there is any question whatsoever that the dynamic that we have now, which is developing the talents for American and Canadian players, are driven by the competitive rules that we have and the investment that our owners are making in training and in our facilities.

I said in 2006, 2007 up in Canada in a press conference in a hotel in Toronto, we will not rest until Canada qualifies for the World Cup, because the real value to having our teams in Vancouver and Montreal and Toronto is to help develop the Canadian national team, and they've done that. You can see the success of the Canadian national team.

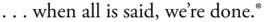
I don't think that the influx of international players, our U-22 initiative, our designated player rule, which by the way has both domestic players and international players benefiting, our discretionary spending which benefits both domestic players probably more so even than international players. The Model we have now is working, and as long as we see American and Canadian players getting better and better opportunities, I don't see any reason to change it. It's a good question. We spent a lot of time thinking about it.

Q. My question is two parts. I wanted to know with the efforts to increase diversity in your fan base among Black Americans, how significant is this MLS Cup considering many of the star players this year in the match are Black, and are you taking advantage of this opportunity to increase the Black fan base and show off your minority talent? And can you speak to us a little bit about the timeliness of this match with the star Black players being in Portland?

DON GARBER: You know, I will tell you, it never even occurred to me that the number of Black players that we have on the field in this Cup would reflect any differently than the diversity of our player pool. I think that shows that when we're thinking about branding and marketing, we're not looking to take the -- what our teams look like on the field and try to reflect that in how we're positioning it with fans, because ultimately what we're trying to do, and it's a really interesting question and you can see how I hesitated in thinking how I would answer it.

What we're trying to do is position our league for a new North America, a changing U.S. and Canada, which is incredibly diverse, that has people from all over the world, that are living and engaging and are playing the game and are following our teams, and whether that be in the Black and Brown community or the LGBTQ community, whether it's young people or it's families, we're trying to say that we are a league that's fun, that's exciting, that's different in many ways than the other offerings in town, and therefore you should be part of the experience. So I'll just respond to that as it relates to the player pool.

That being said, we do have an increasingly large percentage of our player pool being Black players, and that's reflecting sort of the fact that we are -- our sport is



getting more engrained in the grass-roots. It is becoming more active in the inner city, thanks to what is happening in our country, what our federation is beginning to do, what our foundation is beginning to do, and basically the overall growth of participation, and frankly the values that being a professional player can provide.

What we are working on with our diversity initiative is ensuring that we have more representation in our technical staff and then soon in our front offices to reflect the diversity of our country, and to your point, the increased number of Black players that are participating on our fields.

Long short, we're not branding and focused on particular target audiences; we are very focused on ensuring we have proper representation and proper opportunities. By the way, I think that's the responsibility and obligation of every business, whether it's here or around the world. I think we all have to have an awakening of what happened over the last year and ensure that we're doing our part. Diversity as a hiring initiative is bold; it's not going to be easy, and I think it's our attempt at making a difference.

It's a good question.

# Q. Kind of a two-part question. Within the ongoing media right negotiations, will the MLS Next Pro games be included in that package?

DON GARBER: You want to ask the second part and I'll answer both?

Q. Sure, and also here in Atlanta, the supporters that don't have traditional cable and use other platforms couldn't watch some of the teams' games because its regional TV partner wasn't available on those platforms. I think you touched on this, but will the new rights deal eliminate that kind of issue?

DON GARBER: Well, I think these are issues that our entire industry is going through. There's a transformation, as we all know. I don't have to tell you folks as media people, the digital transformation and how people are consuming content and how that is being impacted by legacy contracts, legacy partnerships. You've just got to look at how the leagues that have local deals, hockey, basketball, baseball, are going to have to think about what the future of their media partnerships are going to look like, and I'm sure they'll figure that out.

Our new package sort of takes a step forward in assuming and accepting the fact that consumers are going to engage in ways without barriers that are specific to gating or specific to local markets. We're seeing that are our ESPN+ package. I mean, this isn't tomorrow, this is happening today and even has been happening for the last couple of years.

Our package will have every game, including our local games in the package. Many years ago we went to our clubs and said, all of your local deals need to expire by the end of the '22 season. All of your streaming deals need to expire -- by the way, all of your data deals, all of your sports betting deals, everything that has a touch point with a consumer is all now in a package that we're able to engage with traditional media companies that are transforming themselves digitally, to new media companies, call them the FANGs, and new streamers, whether they be domestic or regional streamers, or whether they be brought global streamers.

It's an exciting time for us to think about what that could look like '23 and beyond. Yes, our MLS Next, our MLS Next Pro games are all part of that package, how do we produce those games and whether or not they're with one carrier or direct-to-consumer are all things we're looking at. Been working on this for years, and I'm confident that somebody who's got a kid that's playing in MLS Next is going to be able to watch their kid play in a very unique and exciting offering. All to be done, and something we hope to get resolved in the first quarter.

#### Q. You mentioned Phoenix and expansion earlier; what developments have taken place, if any, with regard to expansion in the Phoenix market? Does Vegas as a frontrunner as you mentioned mean anything for this market, being in the same region? And lastly, what do you feel is most needed out here to be a better expansion candidate?

DON GARBER: Well, really what we need is a great facility. Think about what could happen in Las Vegas. In Las Vegas you could conceivably see a soccer stadium that looks like a mini version of Allegiant or a mini version of your stadium for your football team in Arizona, and in an environment like that and temperature being what it is, that would be what I would say would have to happen, in my opinion, in order for Phoenix to be a great first division team in Major League Soccer.

Yes, Las Vegas is a frontrunner, but I will say, and I was thinking about it as I was talking about expansion, again, please don't take this as foreshadowing anything that will change our 30-team league, but if you look at the fact that every other top major league in our country is 30 or 32 teams, that in many ways is driven by conference setup, and it's also driven in many ways by the geography of our country and dilution from a player pool and dilution of large national revenue distribution, but in MLS with all the things that are going on, or I should say in professional soccer



with all the things that are going on, I'm not quite sure that 30 teams is the ultimate end goal for Major League Soccer.

Now, that being said, nobody should take away that we have any plans to go to 30 teams, but I think as our country and Canada continues to evolve and develop, this could happen many, many years in the future, there's no reason to think that there wouldn't be more teams that potentially could be part of Major League Soccer in the years, years, years, years ahead.

THE MODERATOR: Thank you to all of our journalists for joining today. We appreciate your coverage throughout the entire season, and looking forward to seeing many of you in Portland for MLS Cup this weekend.

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