



Tribal Sports Business, Law & Regulation: A Win-Win-Win Proposition

by Gabriel S. Galanda

Indian Country has always looked up to Indian athletic heroes Jim Thorpe (Sac and Fox), Billy Mills (Lakota) and Notah Begay III (Navajo). Now we admire Major League Baseball phenoms Kyle Loshe (Nomlaki), Joba Chamberlin (Winnebago) and Jacoby Ellsbury (CRIT/Navajo), who play for three of the most storied franchises in America's pastime – the St. Louis Cardinals, New York Yankees and Boston Red Sox. Be proud: Indian Country has reached the big leagues.

Today's Native athlete-heroes not only inspire us to live healthy lives, to the fullest, but these modern day tribal warriors embody yet another mode of creating and sustaining diversified Indian economies. Recognizing the multi-dimensional potential of tribal athletics, an increasing number of tribal governments are expanding into the professional sports arena. Leveraging tribal sports markets attracts paying spectators to the reservation, who spend monies at Indian casinos, hotels and other hospitality businesses, and also helps grow and diversify tribal economies off the reservation. All the while, Native athletes are given a greater platform on which to shine and inspire tribal families and children. Tribal sports, through business, law and regulation, is a win-win-win situation for Indian Country.

Consider these opportunities for Indian Country to further leverage tribal sovereign advantages, and all things Indian gaming, into tribal sports and entertainment business development:

Tribal Sports Law & Athletic Commissions. Tribes have the inherent right to make their own laws and be ruled by them. Indian gaming has affirmed that tribes can make their own commercial laws and regulate lucrative activities on tribal lands. Tribal governments should now parlay tribal gaming systems into tribal sports infrastructure. Tribes can pass sports regulations and establish athletic commissions to regulate, e.g., boxing, mixed martial arts (MMA), rodeo and action sports, on the reservation. As with gaming, tribal sports commissions can license and supervise the athletes, coaches and promoters, to ensure that reservation sports activities are conducted safely and honestly. Given the risk to human life associated with sports like boxing and MMA, properly insulating the tribal sports commission from liability – beyond mere reliance on its sovereign immunity protection – is critical.

Indian Franchise Ownership. Perhaps nowhere has proof of the potential of tribal sports taken a more tangible form than in the area of franchise ownership. The Mohegan Sun of the WNBA, the Rochester Knighthawks of the National Lacrosse League, and the Rochester Americans of the American Hockey League have all recently become Indian-owned (Matt Higgins,

Blazing a Trail from a Reservation Into Ownership, New York Times). Owning sports franchises – and better yet, situating them on the reservation and in casino facilities, like the Mohegan have done – not only generates tribal jobs and revenues, but inspires tribal communities.

Tribally-Owned Sports Venues. As with sports franchises, tribes are increasingly looking to own or operate businesses within professional sports stadiums and arenas. Before the NBA's Seattle SuperSonics were stolen away to Oklahoma City, the Muckleshoot Tribe considered developing a state-of-the-art venue for the Sonics on their reservation. The Salt River Pima-Maricopa Indian Community and Fort McDowell Yavapai Nation are each currently attempting to woo MLB's Arizona Diamondbacks and Colorado Rockies franchises to their reservations through a promise to build them a spring training complex. The Shinnecock Indian Tribe recently expressed interest in acquiring the famed Belmont Park horseracing track on Long Island for the purpose of opening a casino. Within the new Yankee Stadium, Seminole Hard Rock Entertainment owns and operate two restaurants, including a Hard Rock Café.

Venue Naming & Advertising Deals. On July 1, 2009, the 13,000-seat San Diego State University arena was renamed Viejas Arena, after the Viejas Band of Kumeyaay Indians agreed to pay the university \$6 million over ten years for naming rights. Also at the new Yankee Stadium, the Mohegan Sun Hotel & Casino has a presence in the center-field stands – the 4,900 sq. ft. Mohegan Sports Bar – pursuant to a naming rights deal with the Yankees. The Milwaukee Brewers recently signed an advertising deal with the Potawatomi Bingo Casino. Indian casinos also advertise with the Atlanta Braves, Diamondbacks, Los Angeles Angels and Dodgers, Florida Marlins and Chicago Cubs franchises. With the blessing of the NCAA, public universities are also increasingly doing tribal casino advertising deals. For example, five colleges in the Pacific-10 Conference – Arizona, Arizona State, Oregon, Oregon State and Washington State – accept tribal casino advertisements for stadium and arena signage or game programs.

Care must be given, however, when negotiating purchase-and-sale, lease, naming rights or advertising deals with professional sports franchises or private or public stadium/arena owners, as well as the professional sports league that regulates the team and venue, to ensure the tribe or casino is making a good business decision and not unduly waiving tribal sovereignty while “going pro.”

Tribal Sporting Events & Promotion. Many tribes already have the infrastructure needed on their reservations to host sporting events, including boxing rings, golf courses, rodeo grounds, basketball courts and baseball diamonds. In recent years, the Pechanga Band of Luiseño Indians and Puyallup Tribe have hosted HBO and Showtime boxing events at their casinos. The Sycuan Tribe started a boxing promotion company, with a stable of 20 fighters. The Oneida Nation hosted a PGA golf major. And the Seminole Tribe promoted and hosted the Seminole Classic Bull Riding Championships, which aired on ESPN. As with Sycuan and Seminole, tribes are moving beyond merely hosting sporting events, towards also promoting the events. Sports promotion presents a whole new business opportunity for tribes; in addition to reaping the benefit of the monies spectators spend at Indian casinos and resorts, tribes can share in the profits of the event. Yet, as with Indian athletic commissions, tribal sports promotions companies must be properly situated to protect them from legal attack.

Representing Tribal Athletes. The Indian athletes/heroes mentioned above illustrate that tribal people are participating in all forms of amateur and professional sports. Gaming has infused unprecedented capital into Indian Country, which tribes have used to build schools, buy textbooks and

computers, and hire teachers, as well as build gymnasiums and athletic fields, and sponsor youth sporting events. As a result, reservations are producing varsity tribal athletes and world-class sports talent like never before. From Notah to Joba and Jacoby, Natives are enjoying unprecedented success in professional sports. As the number of aspiring professional Indian athletes grows, so does the need for tribal sports agents and transactional counsel who can ensure the athletes and their families get what they deserve, including signing bonuses, guaranteed salary, performance incentives and other bonuses and appearance fees.

Tribal sports presents opportunity for Native people on multiple levels: sovereignty, self-governance, business, community, family, individual, mind, body, spirit. While properly balancing a respect for tribal athletic tradition, with an emphasis on healthy, diversified tribal economies, Indian Country is poised to go pro. ♣

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