

When Millionaires Fight: Why We All Lose in an NFL Work Stoppage

Now that the dust has settled on the 2010-11 NFL season, the springtime brings the annual tradition, known as “the offseason,” where millions of Americans must decide where to redirect their focus until next season’s kickoff. But in this around-the-clock, breaking news environment that has featured gripping tales such as the overthrow of Egypt’s president and the Congressional fight over this nation’s budget cuts, the discussion remains centered on the NFL. No, it’s not another game being played or a scandal involving a prized quarterback; this time it’s all about the labor negotiations between the player’s union (NFLPA) and the owners. Seriously.

The NFL’s popularity and grip over the masses is undeniable – this past Super Bowl was the [most watched program and the most tweeted sporting event in history](#). But until a deal is reached between the thirty-two team owners and the NFLPA, there will be no NFL games played. At first glance, this appears to be nothing more than an argument between two groups of people who have more money than you and all of your friends put together, but fans are an important piece in the debate. It’s not just that public opinion matters; it’s also that countless non-players, non-owners, and cities stand to lose a lot of money if there is no football come August.

How did this happen? In May 2008, the owners voted to end the current revenue-sharing labor agreement after this past season in hopes of reaching a more favorable deal with the union. The main dispute arose over how to divide approximately [\\$9 billion](#) in annual revenue (additional issues include adding regular season games and a rookie wage scale). The following year, the teams began modifying the employment contracts for their top executives and coaches. Ironically, most non-player employees on teams [work without any employment contracts](#). The modified contracts were written with a lockout in mind, and allow teams to [cut salaries by up to 50% or terminate the employee with little notice](#) if there is a work stoppage this season. As for the non-contract, “at-will” employees, teams are just [laying them off as needed to cut costs](#).

An “[at will](#)” employee can be fired at any time for any legal reason (but *not* because of race, religion, gender, etc.) and has very limited legal recourse compared to a contract employee. The NFL employs thousands of people in positions ranging from equipment managers, talent scouts, and team doctors, all the way up to coaches and team executives such as presidents and general managers; these employees have salaries ranging from [\\$50 per game](#) for cheerleaders to [\\$12.65 million annually](#) for the league’s vice-president of media. The [team owners currently refuse](#) to disclose their teams’ financial records, which is another sticking point in the negotiations. So unless a generous owner or quarterback does his best [Conan O’Brien impression](#), some of these employees, such as a [New York Jets ticket sales team](#), will be without any help until the league starts up again.

Stadiums: A Love/Hate Relationship

If you think the relationship between non-players and the league ends at the employment line, think again. Increasingly over the years, teams in every professional sport have managed to capitalize on their ever-growing popularity to leverage their hometown cities into paying for lush new castles to house future home games. Also, cities are [frequently held at gunpoint](#) to pay for new stadiums; they either agree to some arguably lopsided financing deal, or risk [losing the team to another city](#) that *is* [willing to pay up](#) (please, a brief moment of silence for the NBA’s departed Sonics).

While many proposed stadium projects are approved and sometimes end up resembling the [8th wonder of the world](#), they are rarely without detractors. The most prominent example is Los Angeles, which has been yearning for an NFL team since the Raiders and Rams moved away after the 1994 season. One [leading proposal](#) offers a privately funded downtown stadium with a \$1 billion price tag, but at a steep cost to the city. [The proposal](#), led by Denver billionaire Phil Anschutz's [AEG](#), asks the city to lease out the lucrative downtown property for just \$1 per year and to issue a \$350 million bond – bonds are a city's way of taking out a loan – to tear down part of an adjoining convention center. [AEG assures](#) that the bond money would be recovered through taxes generated by the stadium.

Additionally, AEG is [lobbying state officials](#) to exempt the stadium project from California's Environmental Quality Act (EQA), which would render the stadium project immune from environmental lawsuits. A [competing bid](#) with plans to build the stadium some 30 miles away from downtown also faces some [ardent opposition](#) and has endured numerous [political and legal battles](#). But this plan, backed by real estate mogul [Edward Roski Jr.](#), has already secured the critical EQA exemption via some [very controversial](#) lobbying efforts. Many see this exemption as a [pivotal advantage](#) between the two plans, as both Roski and AEG race to lure an NFL team to their project. As the Los Angeles saga unfolds and the 50 states face [budget deficits estimated at \\$140 billion for next year](#), public financing might well become a thing of the past... [or not](#).

The Woe of the Retired NFL Veteran

Finally, there are also the former players to think about. The [NFL's average player salary](#) is [\\$1.3 million](#), ranking them behind the NBA ([\\$4.9 million](#)), Major League Baseball ([\\$2.6 million](#)) and even the NHL ([\\$1.8 million](#)). NFL players also average the shortest careers ([3.5 years](#)), so a work stoppage could cripple any player who isn't a marquee name, especially when you consider the [spending habits](#) of some who enjoy the high life a little too much. Though this may not arouse much sympathy, what could be the swarm of worker compensation claims filed by the numerous retired, less-compensated players. After years of "playing through pain," their health care costs skyrocket due to rapidly declining health.

Last week, former Chicago Bears defensive back [Dave Duerson committed suicide](#) at age 50. [Follow-up reports](#) suggest a link between brain damage and suicide among former players. Earlier in the month, ESPN [featured a piece](#) on another "Super Bowl Shuffle" alumnus, [William "The Refrigerator" Perry](#), and his epic downward spiral into alcohol and obesity. So what legal avenues are available to retired players looking to treat old football injuries? The answer lies in the same place as it does for anybody looking to catch a big break – the Golden State.

Under California's worker's compensation laws, retired [players can file claims](#) for injuries sustained many years beforehand. [To qualify](#) for lifetime medical care from teams and insurance providers, a player must have participated in just one game in state. Enabling these suits is [California's statute of limitations](#), which does not begin to run until an employer notifies the worker of his right to a claim in the state. This allowed former players, such as Ralph Wenzel who played in the 1960's, to file [a claim](#) just last year for assistance in treating his dementia. Teams have fought back, [arguing](#) that players waive such rights in their player-contracts, or that California lacks any jurisdiction to enforce the claims.

The Future of the Game

As of this writing, there is no new agreement in place for the lockout. But on February 17th, the owners and players agreed to enter into federal mediation. Though this sounds promising, observers should remember that the [Screen Actor's Guild also entered into federal mediation](#) before striking in 2008. Also, on March 1st, a federal judge in Minnesota ruled that the owners' contract with the TV networks (whereby the networks would still pay the owners \$4 billion if no season were played) [violated the collective bargaining agreement](#) with the union. [As expected, each side had its own interpretation of the judge's ruling](#). Although nothing is certain until all appeals are exhausted and damages awarded, the ruling [could prompt owners](#) into a friendlier negotiating stance if their previously guaranteed revenues are withheld.

If nothing happens by March 4th, the owners will figuratively and literally lock out the players, and there will be no football activities of any kind until a deal is reached. Naturally, both sides have and will continue to [take to the airways](#) and complain about how aggrieved they are and how their plight is unjust. In any event, fans everywhere are following the negotiations closely, because nobody wants to see a September without an excuse for avoiding families and household responsibilities on Sundays.