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Pro players' unions learn about collective marketing

The National Basketball Players Association took the opportunity during the All-Star Weekend in Los Angeles to introduce Think450, its rebranded marketing and licensing arm that will handle group licensing and marketing opportunities for its players.

The NBPA joins the organizations representing players in the other major sports leagues — the National Football League, the National Hockey League and Major League Baseball — in taking control of licensing players' marketing rights.

Group licensing usually applies where multiple players are featured on a product or when multiple players are featured individually on multiple items in a product line. Corporate partners or anyone else who wants to use groups of players in an advertising campaign or any other promotion now must negotiate directly with the players' union.

For the last two decades, the league has served as the middleman between the players and corporate sponsors, with the NBPA effectively "renting" group licensing rights to the league.

The NBA then sold those rights to sponsors and shared the revenue with the NBPA. Although the players' association made \$41 million from that arrangement last year, it decided it wanted more control over players' licensing rights and opportunities as a whole. The parties reached the new agreement during collective bargaining negotiations last year.

Initially launched as the National Basketball Players Inc. last summer and renamed Think450 this year, the for-profit licensing and marketing business is wholly

SPORTS MARKETING PLAYBOOK



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owned by the NBPA and the players.

Players and teams will still be able to market themselves individually, but now group licensing opportunities will be handled directly by Think450, whose name implies that it benefits all 450 of the NBA's players.

Think450's stated mission to forge "disruptive and substantive business relationships for the most marketable athletes on the planet" includes maximizing revenue through commercial licensing, marketing and sponsorship endeavors and content creation and distribution.

It also aims to give players a better understanding and more control over how their names and likenesses are collectively used in licensing, sponsorship and marketing deals. As Fast Company put it, marketing is now split three ways, with players controlling their individual sponsorships and partnerships, the teams managing the use of team names and logos and the players' association controlling the players' marketing and licensing rights as a group.

The NBPA isn't wasting any

time ramping up its Think450 efforts. In February, the NBPA announced its partnership with Japan-based advertising agency network Dentsu Inc. to create content and global events featuring the union and players.

Think450 will benefit from Dentsu's international reach and diverse resources, while Dentsu will be able to connect with some of the most popular athletes in the United States and increase its presence in the U.S., reported Bloomberg.

The NBPA rolled out Think450 in a very visible way during the All-Star Weekend, partnering with more than 30 brands to host exclusive events. The splashy debut gave players the opportunity to socialize with brand representatives and to hear about potential business and content opportunities.

In creating its new marketing and licensing arm, the NBPA followed the successful example set by NFL Players Inc., the licensing and marketing subsidiary of the NFL Players Association.

Launched in 1994, NFL Players Inc. manages the group licensing rights for more than

1,800 active players. It calls itself a "one-stop shop" for businesses who want access to NFL players for licensing rights, endorsements and appearances and marketing opportunities.

Players' group licensing rights can be leveraged across a wide variety of products and campaigns. For example, the Los Angeles Rams leveraged group player rights in the release of their 2017 team calendar, which also introduced AT&T as a new team sponsor.

The Chicago Bears partnered with Xfinity during the 2016 regular season to give away mugs featuring eight different players with a new mug introduced at every home game. Also, in 2016, Head and Shoulders, a longtime NFL partner, recognized the in-game performances of 63 players across the league on Twitter and Facebook as part of its 17-week "Shoulders of Greatness" promotional campaign.

Similarly, the Major League Baseball Players Association, which represents 1,200 active professional baseball players, runs the Players Choice group licensing program. Players' images or likenesses may appear on baseball cards and collectibles, in video games and other digital products and on clothing including jerseys, caps and T-shirts.

They may also be used in promotional programs for partners like Pepsi, T-Mobile, DirecTV, Taco Bell and Papa John's.

The National Hockey League is the only one of the big four sports leagues that hasn't created a distinct program (like MLBPA's Players Choice) or a separate entity (like Think 450 or NFLPA's NFL Players Inc.) to manage its players' group licensing rights.

The National Hockey League Players Association not only

serves its primary role of collective bargaining on behalf of players, it directly manages other areas including players' individual and group marketing and licensing as well as their pensions and insurance.

The NHLPA manages group licensing rights for players on consumer items including electronic games, jerseys and other apparel, trading cards, printed products and collectibles.

Of course, sports with smaller followings have fewer resources

to pursue group licensing opportunities. Two leagues' player associations recently came up with an innovative solution to the problem by joining forces with NFL Players Inc. In November, the U.S. Women's National Team Players Association, which represents the rights of women soccer players, the Women's National Basketball Players Association and NFL Players Inc. became the founding partners of REP Worldwide (which stands for Representing Every Player),

a group licensing and brand management service that will work with smaller leagues.

Based on the NFL Players Inc. business model, REP Worldwide's services include leveraging athlete intellectual property group rights, structuring group licenses and sponsorships, and developing new content opportunities. Hooking up with NFL Players Inc. could prove to be a very smart move for the USWNT and WNBPA since the NFL player union's marketing

arm hit \$150 million in revenue in 2015 and expects to reach \$200 million by 2020.

As other sports increase in popularity, their leagues and players unions will undoubtedly develop more sophisticated marketing goals, including the need to manage players' group licensing rights. More businesses like REP Worldwide may be on the horizon, looking to partner with the bigger leagues' union marketing businesses or to develop new models of their own.