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BCS OR BUST: COMPETITIVE AND ECONOMIC EFFECTS OF THE BOWL CHAMPIONSHIP SERIES ON AND OFF THE FIELD

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CONTENTS

STATEMENTS OF COMMITTEE MEMBERS

	Page
Biden, Hon. Joseph R., Jr., a U.S. Senator from the State of Delaware	6
DeWine, Hon. Mike, a U.S. Senator from the State of Ohio	8
Hatch, Hon. Orrin G., a U.S. Senator from the State of Utah	1
prepared statement	63
Sessions, Hon. Jeff, a U.S. Senator from the State of Alabama	10

WITNESSES

Bennett, Hon. Robert, a U.S. Senator from the State of Utah	3
Brand, Myles, President, National Collegiate Athletic Association, Indianapolis, Indiana	12
Cowen, Scott S., President, Tulane University, New Orleans, Louisiana	15
Edwards, LaVell, former Head Football Coach, Brigham Young University, Provo, Utah	19
Perlman, Harvey S., Chancellor, University of Nebraska-Lincoln, Lincoln, Nebraska	14
Tribble, Keith R., Chairman, Football Bowl Association, Miami, Florida	17

SUBMISSIONS FOR THE RECORD

Brand, Myles, President, National Collegiate Athletic Association, Indianapolis, Indiana, prepared statement	41
Cowen, Scott S., President, Tulane University, New Orleans, Louisiana, prepared statement	50
Edwards, LaVell, former Head Football Coach, Brigham Young University, Provo, Utah, prepared statement	58
Perlman, Harvey S., Chancellor, University of Nebraska-Lincoln, Lincoln, Nebraska, prepared statement	65
Tribble, Keith R., Chairman, Football Bowl Association, Miami, Florida, prepared statement	89

BCS OR BUST: COMPETITIVE AND ECONOMIC EFFECTS OF THE BOWL CHAMPIONSHIP SERIES ON AND OFF THE FIELD

WEDNESDAY, OCTOBER 29, 2003

UNITED STATES SENATE,
COMMITTEE ON THE JUDICIARY,
Washington, DC.

The Committee met, pursuant to notice, at 10:00 a.m., in Room SD–226, Dirksen Senate Office Building, Hon. Orrin G. Hatch, Chairman of the Committee, presiding.

Present: Senators Hatch, DeWine, Biden, and Sessions.

OPENING STATEMENT OF HON. ORRIN G. HATCH, A U.S. SENATOR FROM THE STATE OF UTAH

Chairman HATCH. Welcome to today's Judiciary Committee hearing on competitive and economic effects of the Bowl Championship Series.

Many of you may not be aware that when I was in high school, I had a promising future in football, but things didn't work out. BYU already had a halfback and I was too slow and I couldn't seem to go to my left, so it was a big problem for me. Well, some things never change. I still don't go to the left.

[Laughter.]

Chairman HATCH. But on a serious note, I am pleased that the Judiciary Committee is examining the competitive effects of the BCS because of the notion of basic fairness that has been called into question by the current BCS system. I believe there is value to ensuring fairness in our society whenever we can. And while life may not be fair, the moment that we stop caring that it isn't, we chip away at the American dream.

Let me just say that many sports fans in Utah and all across the Nation have strong feelings about the BCS. Almost without exception, these fans make the same two points. First, the current system is unfair. Second, they care deeply that it isn't. And I think it is worth a couple of hours of this Committee's time to consider the matter.

In my opinion, the current manner in which teams are chosen to play in the four major bowl games and the way in which a national champion is determined are fundamentally unfair to non-BCS teams. The first problem is one of access. There are only four BCS bowls, limiting participation to eight teams. Six of the available slots are guaranteed to the champions of the BCS conferences, leaving only two slots for the remaining 11 teams in both the BCS

and non-BCS conferences, and these two slots are filled using a ranking system that many claim is biased against non-BCS teams. Under these circumstances, it is hardly surprising that not a single non-BCS football team has played in a BCS bowl since its inception in 1997.

The second problem is that the non-BCS teams are placed at a financial and competitive disadvantage because the BCS conferences retain most of the tens of millions of dollars of bowl revenue. The financial disparities that result from the current system translate into a competitive disadvantage for non-BCS teams. Combined, the revenues of the four major bowls in the upcoming year are projected to be $89.9 million. According to the revenue distribution information on the BCS web page, the BCS will quote "contribute $6 million to other Division I–A and I–AA conferences to be used in support of the overall health of college football."

Under this system, the minimum payout for the BCS conferences will be $13.9 million, and if, as will probably be the case, no non-BCS team plays in a major bowl, approximately $17 million will be paid to each BCS conference that has one member team invited to a BCS bowl, and $21.5 million to the BCS conferences lucky enough to have two member teams invited. This is compared to the $1 million that most of the non-BCS conferences will receive. Where BCS conferences stand to receive more than 20 times what the non-BCS conferences get, the resulting competitive disadvantages are unmistakable.

A third conclusion is that the combination of extremely limited access and enormous financial disparities may severely damage or disadvantage non-BCS teams in the area of recruiting. As I believe Coach LaVell Edwards will emphasize in a few minutes, one of the biggest recruiting hurdles for non-BCS teams is that coaches from the BCS conferences are able to tell potential recruits that if they attend a non-BCS school, they will never play in a national championship game or probably even in a major bowl. The financial disparities that I have mentioned also affect recruiting, for obvious reasons.

According to the title, today's hearing will examine the effects of the BCS both on and off the field. I have outlined my principal concerns about how non-BCS teams may be disadvantaged on the field, but what about off the football field? I would like to briefly highlight three areas of particular concern.

First, because football revenues are often used to fund other college sports, I am concerned about the impact that the financial disparities caused by the BCS may have on these other sports.

Second, I am concerned that the financial disparities resulting from the BCS may make it more difficult for non-BCS schools to provide fair and equal opportunities for female athletes as required by Title IX.

Third, and perhaps most importantly, I and many others are concerned that all this college football money is turning college sports into nothing more than a minor league for pro football rather than a legitimate educational opportunity for student athletes.

Unfortunately, Chancellor Gordon Gee of Vanderbilt University could not be here with us today. Vanderbilt recently took steps to

deemphasize its athletic program and I really would have enjoyed hearing his perspective on all these issues.

Of course, just because something is unfair doesn't make it unlawful. However, the principle of fairness and, in particular, fair competition is to a certain extent reflected in our antitrust laws. For example, it is generally unlawful for two competitors in any particular market to agree to exclude a third. Some would argue that this is effectively what the BCS does. But while the antitrust implications in the BCS will be part of what we discuss here today, I think it is unclear how a court would rule on an antitrust challenge to the BCS.

I, for one, hope that we don't find out. It is my sincere hope that the BCS system will be improved through a negotiation rather than litigation. I note that representatives of BCS and non-BCS schools met in September and will meet again on November 16 to discuss how the current system might be changed to be more inclusive.

So in closing, I urge the participants in these meetings to work toward a mutually acceptable solution that will answer the criticisms of the BCS that we discuss today. If nothing else, I would admonish the participants simply to do what is fair.

I look forward to hearing testimony from our witnesses, but before I introduce them, whenever the Ranking Member comes in, we will turn to him or his representative to make a statement, whenever they come in.

We are delighted to have Senator Bennett, my colleague from Utah, here today. He is doing a great job in the Senate and naturally he is concerned about these issues, as am I. Senator Bennett is a graduate of the University of Utah. Senator Bennett, we look forward to your comments at this time and any suggestions you can make for us.

STATEMENT OF HON. ROBERT BENNETT, A U.S. SENATOR FROM THE STATE OF UTAH

Senator BENNETT. Thank you very much, Mr. Chairman. I appreciate the opportunity to be with you. I appreciate your opening statement in which you outlined all of the primary arguments with respect to this issue. Rather than repeat those arguments, even though I have learned since coming to the Senate there is no such thing as repetition—

[Laughter.]

Senator BENNETT. —I would like to put a slightly different face on this issue that I hope will send a message of reality to the BCS schools and those who are supporting the present situation.

As you know, Mr. Chairman, I am the Chairman of the Joint Economic Committee and I have spent a lot of time in my Senate service focusing on economic issues. One of the things that has come out of that experience is a recognition of the ultimate fate of monopolies. Monopolies seem really wonderful at the beginning. If you have a monopoly on something, you can set the price virtually wherever you want it. You can charge whatever the traffic will bear. There are no penalties. You can do whatever you want because you have no price to pay down the line. People have to buy your product because you are the only one who has it.

The history of monopolies throughout history is that they don't last. Monopolies become bloated, they become inefficient, and eventually they die. And people who participate in monopolies look back on that history and say, you know, we would have been better off if we had had vigorous competition right from the beginning, if we had been forced to improve our product in order to continue to sell it for fear that somebody else might take it away.

The BCS is setting themselves up, if they succeed in maintaining their present cartel, for ultimate extinction. They should understand what will happen to their product, in monopoly terms, if they do not move away from the clever structure that they have created for themselves.

They exist to take advantage of television money. The BCS system was created to make sure that 96 percent of all bowl revenue went to BCS conferences. That is a tremendous incentive to keep the present situation. Ninety-six percent of the TV revenues that come from covering the New Year's Day bowls go to BCS conferences. Why would somebody in a BCS conference want to upset that? The reason they might want to upset that would be to look into the future and discover what could very easily happen, indeed, what is very likely to happen. People will get tired of seeing Miami play Ohio State one New Year's after another. They want some excitement. They want some diversity in college. They want the opportunity for a Cinderella story.

We have just seen what a Cinderella story can do to revive a dying sport in the last World Series. I remember when baseball went through its strike and people were staying away from baseball stadiums in droves. There were even suggestions that baseball as a sport was finished because everybody was tired of the greedy owners and the greedy players and why should they watch that sport. TV ratings for baseball went down.

Well, they went through the roof this year because we had the Cubs and the Marlins. We thought the Red Sox might someday finally overcome their curse and beat the Yankees. We had excitement, and the Marlins, whose payroll is one-third of the Yankees', came through and won the World Series and all the Yankee haters all over the country rejoiced.

[Laughter.]

Senator BENNETT. They followed baseball in a way that baseball has not been followed for a long, long time.

If we prevent a college football version of the Florida Marlins from ever coming forward, playing in the Rose Bowl or the Cotton Bowl or whatever it might be, and attracting national attention, we run the risk of having the TV promoters say, you know, we can sell something else on New Year's Day that can get higher ratings than a rerun of the Big Ten and the SEC playing one more time with their top teams.

The TV revenues, of which the BCS get 96 percent, can go down if the product gets tainted by public boredom. Oh, that will never happen, say the chancellors of the BCS schools. They should understand that TV producers do not go on sentiment. TV producers go on ratings, and if the ratings start to fall for college football because people get bored with the same old match-ups, there will be

no sentiment in the board rooms of the TV executives. They will look to the ratings and they will find something else to put on.

You mentioned that I was a graduate of the University of Utah. That is true. I grew up in Salt Lake City and I remember as a young man the most exciting college sports experience that I could ever have experienced, and it still stays in my memory and those who are of my generation still talk about it. It was basketball, not football, but it illustrates the point I am trying to make here.

The University of Utah basketball team in the 1940s—sorry, I can't put the exact year on it, my memory is not that good—went to the NCAA finals, and in those days, the NCAA finals were the second tier. The real national championship was determined by the National Invitational Tournament, the NIT. The University of Utah team did well, but not well enough. They lost out.

They were on their way home when a team that was scheduled for the NIT was involved in an accident and unable to participate, and the NIT reached out to fill out their schedule and said to the University of Utah, will you come compete in the NIT? So here was a team that was not good enough by its records to get invited to the big games, but by virtue of a tragic accident that had eliminated one of the teams, got an opportunity to go.

It still fills me with goosebumps and chills to think of what happened. They went to the NIT and they won the NIT, two points, as I recall. I can still name some of the players on that team—Arnie Faron, Watt Masaka. All Utahans can remember that, and the Nation at the time was transfixed by this Cinderella team from out of the West, last-minute substitute that went on to win the NIT, last basket, buzzer-blowing, all of the things. It may not have been as exciting as I remember it now, but it certainly was exciting at the time.

BCS is structured to make sure that that kind of thrill, that kind of opportunity, will never, ever come to college football. No matter how good a team might be from a non-BCS school, the way the thing is structured now, will not have an opportunity to thrill the Nation and keep alive television interest in college football.

Oh, the BCS people say, well, there are two slots available and those two slots, you might have the college football version of the Florida Marlins show up and take one of those slots and win the national championship. It is possible. No, it is not, not because there isn't a team out there that could do it now, but because, as you, Mr. Chairman, have pointed out, the recruiting will make it clear that the good players won't run—good high school players won't run the risk of being on one of those Cinderella teams that could come out from nowhere and win it.

They will go to a BCS school and then the BCS monopoly will say, see, we are the best teams, so naturally we should get 96 percent of the money and it is all being decided on the playing field. No, it is being decided by virtute of the structure, and long-term, if they are allowed to continue that kind of monopoly practice, they will suffer the same fate as every other monopoly in history.

They will become bloated, complacent, inefficient, and eventually kill the golden goose from which they are now taking the eggs because national television will say, people don't care about college football anymore. There is no excitement. There is no opportunity

for a newcomer to come in. It is a closed corporation. We will find something else to broadcast on New Year's Day. And the successors of today's chancellors of the BCS schools will wonder what happened to the great opportunity we had to maintain excitement for college football.

I urge the Committee to continue to probe this issue. I will do what I can to continue to probe the issue. I think it is a very significant one that is worthy of your attention. Thank you.

Chairman HATCH. Thank you, Senator. I appreciate your excellent statement.

I have to remember, I didn't have the privilege of living in Utah at the time, but I was a basketball player in high school in Pittsburgh—

Senator BIDEN. And a union member, as well.

Chairman HATCH. That is right, and a union member, as well.

Senator BENNETT. I want that for the record, Mr. Chairman, that you were a union member.

[Laughter.]

Chairman HATCH. No, I am still a union member, but you guys have just gone too far off the reservation, that is all.

[Laughter.]

Chairman HATCH. But in any event, I remember Arnie Faron and Watt Masaka and Vern Garner and two All-Americans on that team. And one of the thrills of my life was after, of course, moving my family to Utah, becoming a very good friend of Arnie Faron's. He is a great friend to this day, because he was a hero of mine, I will tell you. I followed that team and I remember that very, very well. So bringing that to all of our recollection, I think under these circumstances is a very, very good thing and you have done a very good job.

But we know how busy you are. We will let you go.

Senator BENNETT. Thank you, Mr. Chairman.

Chairman HATCH. We know you have a full plate. Thank you for being here.

We will turn to Senator Biden at this time and then we will go to our witnesses.

STATEMENT OF HON. JOSEPH R. BIDEN, JR., A U.S. SENATOR FROM THE STATE OF DELAWARE

Senator BIDEN. I thank you very much, Mr. Chairman, and I thank your colleague from Utah, who I always enjoy listening to and, I might say for the record, is one of the fairest people in the United States Senate and I hope everyone listened to him.

Let me apologize to you, Mr. Chairman, and the witnesses. I am shuttling between the Foreign Relations Committee hearings on the new ambassador for Afghanistan here, like I know you have similar conflicting responsibilities. But the bad news is when you are Chairman, you have to be here, and I get to do it between two places.

Let me begin by commending you and the Ranking Member for deciding to hold this hearing. Although this Committee held hearings on this subject back in 1997, I requested this hearing because recent events have convinced me that further examination and discussion of the Bowl Championship Series system is warranted.

Let me say at the outset that mine is not a parochial interest. My alma mater, the University of Delaware, plays Division I–AA football and so is not eligible for any of the bowls we will discuss today, although I might note for the record we are ranked number two in the Nation, beat Navy, a Division I team, in their homecoming at Navy last week and I predict will end up number one in the Nation, but that is a different issue. [Laughter.]

Having played at Delaware, I am incredibly proud of my alma mater, but rather, I am concerned about the allegation that BCS has created a system of haves and have-nots when it comes to Division I–A football. Since its inception, to state what I am sure has already been stated, in 1998, no non-BCS member school has played in a BCS bowl game. That means that 52 major universities' Division I–A football programs have not had the opportunity to compete for a national championship in the foremost prestigious and lucrative college football bowls. As a result, during the 2001–2002 season, BCS member schools enjoyed $101 million in revenues while their non-member counterparts received only $5 million.

According to a recent New York Times article, over the 8 years of the BCS contract, the BCS, quote, "while the Southeastern Conference, the Atlantic Coast Conference, the Big East, the Pacific Ten, the PAC-Ten, the Big 12, the Big Ten, and Notre Dame will split $900 million over 8 years of the Bowl Championship Series contract, which runs through 2005, the schools that have been left out will split just $42 million over that period."

It is not difficult to imagine what impact this revenue imbalance can have and does have on Division I–A intercollegiate athletics. BCS member universities have substantially greater budgets for athletic programs than non-members. These larger budgets accord BCS members the advantage in recruiting student athletes, retaining coaching staff, and maintaining a strong student fan base.

In contrast, the non-BCS members with lower athletic budgets suffer from inferior athletic facilities and rising deficits. I am aware, for example, that Tulane's athletic program is running a significant budget deficit and I would appreciate hearing more about Tulane's situation from President Cowen this morning. I should, in full disclosure, acknowledge that my daughter recently graduated from Tulane. I like Tulane very much, but she did not play football at Tulane. [Laughter.]

My concerns aren't just about money. It is not just the perceived unfairness to excluding non-BCS member schools from playing in the national championship, but I am also concerned about the multiplier effect caused by the BCS. As the Washington Post recently noted, and I quote, "The cost of NCAA Division I–A membership has become exorbitant. The latest rules require colleges to support 16 sports in order to participate. Without the funds provided by lucrative bowls, non-BCS universities are increasingly facing a very real Hobson's choice. Academics must often take a back seat to provide the funds needed to support college athletics, or just as bad, these same schools are finding it increasingly difficult to provide sports teams for their female athletes as required by Title IX."

And I must tell you, that is one of the overwhelming reasons why I became interested in this item. Not only is there a bit of an onslaught on Title IX to begin with from other quarters, I think this

is a very high price that would be paid if something isn't changed, because I think it has been the single most significant thing that has happened to women, collegiate women in America, is the increase in since Title IX and the participation of competitive women's sports, and it goes far beyond their sports capability. It goes to their image of who they are. It goes to the possibilities they think are available, and I don't think it can be underestimated. So I want to be straight about that.

Such a robbing of Peter to pay Paul approach—that was the end of the quote, by the way, but since the robbing of Peter to pay Paul approach totally undermines the original goal of the NCAA-sponsored sports to produce scholar athletes, I think we have to look very hard at this. The professed goal of the BCS system is to provide a championship game between the two best Division I–A intercollegiate college football teams selected on the basis of fair and objective criteria.

It is clear to me that BCS members and non-members are not competing on a fair and balanced playing field. It is sort of like college basketball telling Gonzaga at the beginning of the season that they most likely won't make it to March Madness no matter how well they do this season. I call that unfair. In lawyers' terms, it also appears to raise a significant antitrust concern to me.

I know that the various sides of this dispute have begun to get together and negotiate a solution. I view today's hearing as another step in the process of attempting to resolve this problem. However, if the sides cannot come to an agreement that eliminates the clear problems that the current BCS system demonstrates and evidences, it may well be the case that this Committee and this Congress will have to revisit the issue, and this Senator may decide to do what I think we should avoid doing, and that is at all costs, we should try not to legislate an outcome here. But that depends upon, in my view, how sincere and legitimate the negotiations are.

In closing, let me welcome our esteemed panel of witnesses, and I applaud both sides of this debate for expressing what seems to be an absolutely sincere desire to negotiate. I applaud their desire to find a solution to this problem that will benefit the 5,000 talented young athletes involved in Division I–A football, and I applaud their desire to design a system that millions of college football fans across the country will truly embrace, a system that allows any one of the 117 Division I–A college football teams the right to a shot at the title, and I hope these proceedings will help promote that end, Mr. Chairman.

Again, I thank you for holding these hearings and I apologize for being late.

Chairman HATCH. Thank you, Senator. Thanks so much.

Senator DEWINE. Mr. Chairman?

Chairman HATCH. Senator DeWine?

STATEMENT OF HON. MIKE DEWINE, A U.S. SENATOR FROM THE STATE OF OHIO

Senator DEWINE. Mr. Chairman, I have a brief statement I would like to give.

Chairman HATCH. That would be fine.

Senator DEWINE. Thank you. Thank you, Mr. Chairman, for holding today's hearing on the Bowl Championship Series, the BCS. This hearing will highlight issues both on the field and off the field surrounding the college football bowl system. As Chairman of the Antitrust Subcommittee and as certainly a college football fan, I was particularly interested in seeing—I am interested in seeing that the bowl system is both competitive and fair.

Many of the issues that the bowl system faces today are the same ones that we faced 6 years ago when our Subcommittee held a hearing examining the Bowl Alliance, the predecessor to the BCS. First, the BCS, like the Bowl Alliance before it, does, in fact, exclude several conferences, such as the Western Athletic Conference, Conference USA, and the MAC.

Second, the BCS raises the same antitrust and competition concerns that I noted with the Bowl Alliance 6 years ago, namely that potential antitrust problems may arise any time competitors, like the BCS conferences, agree among themselves instead of competing.

I want to take a moment, Mr. Chairman, to talk about the antitrust analysis that I think applies to the BCS. The first step in the analysis is in examining the agreement between the BCS conferences, the Big Ten, Pac Ten, Big 12, SEC, ACC, and the Big East, and the BCS bowls, the Orange, Sugar, Fiesta, and the Rose Bowls. We have to look, I believe, Mr. Chairman, at both the purpose of the agreement and whether the agreement has had any harmful effects on competition. BCS proponents claim that the purpose of the BCS is to ensure a number one versus number two bowl game.

Assuming this purpose, we still need to look at whether the BCS has harmed competition. To do this, I think we need to look at the bowl situation prior to the BCS. For example, let us look at the teams that played in the Orange, Sugar, Fiesta, and Rose Bowls since 1971. In that time frame, only three teams currently in non-BCS conferences played in any of those four bowl games. So looking at it that way, at least, the BCS has not had much direct effect on the schools.

Of course, we need to examine the effect on consumers, in this instance, the fans. So we need to examine if the BCS has deprived these consumers of higher quality bowls than they may have otherwise seen without the BCS. Of course, this is hard to evaluate, and this will be depending on who you ask, I guess. For example, would there have been higher quality bowl games after the 1998 season if undefeated Tulane had played in one of the BCS bowls, or after the 2001 season if 12 and one BYU had played in a BCS bowl game?

In any event, Mr. Chairman, if we assume the BCS actually does cause harmful effects on competition, we need to balance those harmful effects against the benefits that the BCS brings. To me, we only have to look back to last January's Fiesta Bowl game between number two-ranked Ohio State and number one-ranked University of Miami to see the benefits of BCS. Obviously, I am a little prejudiced. That unbelievably tense game ended, happily, in my view, with Ohio State winning the national championship.

Now, Mr. Chairman, prior to the BCS, that game simply would not have taken place. Ohio State would have played in the Rose Bowl, as we always did, against the PAC Ten champion, or as the Big Ten champion always did, while Miami likely would have played in the Sugar or the Orange or the Fiesta Bowl. So for the Ohio State-Miami game, the system worked. In fact, the BCS has resulted in match-ups between the top two teams in each year of its existence.

Contrast that with what happened after the 1997 football season, when both Michigan and Nebraska went undefeated but played in separate bowl games. That year, there were two disputed national champions instead of one undisputed national champion.

Just, Mr. Chairman, to finish the antitrust analysis, if we assume the benefits of the BCS outweigh the harmful effects of the BCS, then we need to consider whether our so-called less-restrictive alternatives, in other words, ways in which we can achieve the benefits of the BCS with fewer of the harmful effects. For example, would a playoff provide the same benefits of the BCS without the harmful effects? I am interested in hearing from the panel members on all of these issues. What are the goals, potential harms, and benefits of the BCS system, and how else could we operate the bowl system.

Mr. Chairman, our scrutiny should not end with the antitrust analysis. As I mentioned, the bowl system needs to do more than survive legal scrutiny. It also must be fair.

I worry particularly about the agreements between the BCS conferences and the non-BCS bowl games. The Cotton Bowl, for example, automatically matches a Big 12 team against a team from the SEC. The Peach Bowl automatically matches an ACC team against an SEC team. Arrangements such as these are common and they completely foreclose any chance for worthy teams outside of the BCS conferences to earn spots in many non-BCS bowls. Many of these bowls might act as catalysts for non-BCS programs to improve their national visibility, to become more attractive for potential recruits, and to compete more effectively against the BCS conference programs, but under our current system, non-BCS teams are almost totally shut out of this system. I think, Mr. Chairman, we must examine why non-BCS bowls select teams in the manner that they do.

Mr. Chairman, I think we have a lot to discuss today in looking at the competition and fairness issues that the bowl systems raise and I thank you very much for holding this hearing.

Chairman HATCH. Thank you, Senator. We appreciate your Chairmanship of the Antitrust Subcommittee and your interest in being here today.

Senator Sessions, we will turn to you.

STATEMENT OF HON. JEFF SESSIONS, A U.S. SENATOR FROM THE STATE OF ALABAMA

Senator SESSIONS. Thank you, Mr. Chairman. I think it is a healthy thing to discuss these issues. I do hope that this Federal Government does not find itself in a position of passing laws, trying to decide who goes to the bowl championship and who ought to be number one. Alabama claims, I think, 12 national championships.

Several of those are disputed, but we believe they won it every time. Others claim they won it some of those years. I mean, my heart is not broken that somebody else claimed the national championship in one of those years.

I really don't want to see us go to a playoff game. I think we are getting close enough to picking the national champion now. I noticed just a few weeks ago, by chance, that now teams are playing 12 football games a year, regular season. Just a few years ago, it was ten. Then you have got an SEC championship game on top of that, and then a bowl game on top of that. So I am a little dubious about us trying to micromanage college football and directing that we ought to have a playoff system that I am not sure would be good for the players or for the system. As a matter of fact, I would like to see us drop one of those games, it seems to me.

Mr. Chairman, there are a lot of ways to do this. I know in the Tulane situation, they weren't ranked in the top. I think they were ranked tenth, and maybe that was unfair, but how do you rank a team? One thing I do believe is you have got to have a strength of schedule. That has got to be a part of it. Alabama started off with Oklahoma the last 2 years and didn't come away with a win. Auburn lost to Southern Cal 2 years in a row; lost one, won one with Syracuse. Would those teams take those games if they knew that strength of schedule had no impact on their chance to be a national champion? They would take the easier games.

So it is a difficult, difficult situation. I think the BCS was designed to sort of break up these contracts between conferences and bowls and to provide at least a chance of having one good national championship game, and pretty much, it has worked. Mr. Cramer at the BCS came up with this convoluted system, but it seems to be working. I think the public would pretty much agree that the top two teams are ending up in the championship series.

I guess we could discuss, and I would like to hear, whether people believe a playoff is necessary. I am dubious myself. It is easy to say a playoff is the answer, but a football game is a week's preparation. It is a big deal. Unlike basketball, when you can play games back to back, you just can't do that in football. It is stressful on the players and injuries are a problem. It just can't be done. I think these are youngsters and there is a limit to how much we ought to ask of them—we may be asking them too much already. Thank you.

Chairman HATCH. Thank you, Senator.

We have a distinguished panel of witnesses here today. I would like to thank each of them for testifying at this hearing today.

First, we are going to hear from Dr. Myles Brand, President of the NCAA. Dr. Brand, I want to thank you for the effort you made to get here today. I think it is important that we have you. I know that you need to leave by around noon, but I don't think that is going to be a problem.

Next, we have Chancellor Harvey Perlman of the University of Nebraska at Lincoln. Mr. Perlman will be speaking on behalf of the BCS schools.

After Mr. Perlman, we will hear from Dr. Scott S. Cowen, President of Tulane University. Dr. Cowen is the President of the Presidential Coalition for Athletics Reform, which consists of more than

50 non-BCS universities that have concerns about the current bowl system.

After Dr. Cowen, we are happy to have Mr. Keith Tribble here, who is here in his capacity as Chairman of the Football Bowl Association.

And saving the best for last, we will be pleased to hear from Coach LaVell Edwards, former head football coach at Brigham Young University. LaVell Edwards is truly one of the most talented, respected, and beloved coaches in the history of college football. Under the tutelage of Coach Edwards, the BYU Cougars accumulated 257 victories in 29 years and Coach Edwards led BYU to 20 conference championships, took his team to 22 bowl games, and won a national championship in 1984. He was named National Coach of the Year twice, in 1979 and 1984. So, Coach, we are happy to have you here. We know it has been an inconvenience for you to come, but we are happy to have you and Patty with us today.

We will start with you, Dr. Brand, and go right across the table.

STATEMENT OF MYLES BRAND, PRESIDENT, NATIONAL COLLEGIATE ATHLETIC ASSOCIATION, INDIANAPOLIS, INDIANA

Mr. BRAND. Thank you, Chairman Hatch. I appreciate the opportunity on behalf of the NCAA for the invitation to be here today.

It has become surprisingly apparent to me since assuming the position of NCAA President last January that there is a confusion in the public and media with regard to what the NCAA is, where its role as national office ends, and where the role of the NCAA as a membership association begins. With every new issue that emerges in the media, there is the expectation that the national office and I, as President, should exert authority to set things right.

In fact, the national office and the NCAA President have no authority other than that explicitly granted by the more than 1,000 member colleges and universities. This is a critical point. The NCAA is not an all-powerful presence and the NCAA President is not the omnipotent czar of college sports. Rather, the NCAA is an association made up of universities and colleges that acts only after considerable deliberation, reflects the majority will of the membership, and authorizes the national office to execute its decisions. The member institutions retain far more autonomy over their athletics programs than they cede to the NCAA.

The association's three membership divisions each have their own governance structure. In Division I–A, decision making is in the hands of 18 university presidents appointed by the conferences to a board of directors. Division I is further subdivided in the sport of football into three parts, I–A, consisting of 117 schools with the broadest financial investment; I–AA, which offers fewer football scholarships; and I–AAA, which does not sponsor football at all.

There are NCAA football playoffs in Divisions I–AA, Divisions II, and III, each having been established by a vote of the member schools. The membership in Division I–A has never voted to conduct an NCAA football championship. Instead, I–A has a tradition of post-season football participation through a series of bowl games conducted during the Christmas and New Year's holidays.

Unlike the NCAA's administration of other championships, its role in I–A post-season football is minimal, focused primarily on a certification process. The association's involvement in I–A football was significantly diminished in 1982 when the U.S. Supreme Court ruled the NCAA's regular season television contract a violation of the Sherman Antitrust Act. As a result, schools negotiate television contracts through their conferences. The 64 BCS schools have further negotiated joint television contracts for the four major bowls.

The goal of the BCS is, through the bowls, to match the number one and number two teams in a season-ending game. It is focused on post-season events. Participation in the 64 BCS schools and four major bowls of the series—Rose, Orange, Fiesta, and Sugar—has long been dominant.

Currently under debate is access to the BCS bowls by the non-BCS conference institutions. These 53 schools have formed the Coalition for Athletics Reform. Now, many of the media and the public favor a full Division I–A playoff not unlike that of the basketball tournament. I do not, not because I believe it is academically unsound, but rather because it would diminish the tradition and benefits of the bowls. The addition of a post-bowl game or another BCS bowl, while still controversial, may be worthy of consideration.

I certainly understand the concern for greater access to the major bowl games. For those who assign football a high priority in their expenditures, there should be a fair means of competing for post-season play. This is, I believe, the essence of the Coalition's position. No school, including the BCS institutions, should be disadvantaged by any new approach. In that regard, I do not favor redistribution of current revenues that accrue to the BCS universities through their football media contracts. The current revenue structure is a result of the free market system at work. Any changes to the current approach must add value for all participants.

On September 8, I facilitated a meeting where the representatives of the BCS and Coalition schools began a conversation to address these issues. I am pleased to report that the meeting accomplished more than anyone would have expected. All the participants emerged from the meeting with a greater appreciation for those things they have in common as well as respect and understanding for the differences. These presidents have agreed to meet again November 16 to consider post-season football options put forth by their fellow presidents and their conference commissioners.

This is the preferred approach to resolving differences. Intervention by external bodies, including the courts, will be counterproductive. Ultimately, the university presidents are the decision makers and I have confidence that they will be statesmen and women. I urge the Committee to encourage the Division I–A institutions, as you have, to come together, discuss their issues in good faith, and find solutions that advantage intercollegiate athletics and higher education as a whole, and I thank you.

Chairman HATCH. Thank you, Dr. Brand.

[The prepared statement of Mr. Brand appears as a submission for the record.]

Chairman HATCH. Mr. Perlman, we will turn to you.

STATEMENT OF HARVEY S. PERLMAN, CHANCELLOR, UNIVERSITY OF NEBRASKA-LINCOLN, LINCOLN, NEBRASKA

Mr. PERLMAN. Thank you, Mr. Chairman. The Bowl Championship Series is a limited arrangement designed to create for postseason college football a national championship game and to avoid an NFL-style playoff system, which most university presidents oppose. I would be happy to talk about why that occurs in the questioning if it makes sense. But what I would like to do is to talk about three myths that are perpetuated by the critics of the BCS and to give you our perception of them.

The first myth is that the distribution of revenue from the BCS has created the haves and have-nots in college football. This myth fails to account for the economic realities of college athletics. Let me use my own school as an example. Nebraska receives approximately $1.2 million annually from the BCS distributions. By contrast, we earn about $3 million from each home game in a stadium that seats 77,000 fans and for which we have had over 200 consecutive sell-out crowds.

The total budget for Nebraska athletics and for other schools that have sustained success is in the $50 million range. For the most part, these funds come entirely from athletic revenues. My own athletic department is entirely self-supporting and, in fact, contributes $1.5 million annually to the academic programs of the university. If all of the net BCS revenue were equally divided among all the Division I–A teams, regardless of their participation, each school would receive about $750,000.

There are, to be sure, major disparities in wealth between football programs in Division I–A, but it is not the product of the BCS. Rather, they are the direct result of the passion and generosity of our fans and the investments we have made in stadiums and other facilities. What critics are asking is to share in money they did not produce, to, in effect, have Nebraska fans or students or taxpayers subsidize their athletic programs. But even with such sharing, the amount of funds in the BCS is insufficient to make a noticeable dent in any disparities that exist.

Myth two is that we have denied access to teams or student athletes for the opportunity to play in a national championship game. This is an argument that is emotionally charged but empty of substance. Any Division I–A team has access to the BCS. Any team that is ranked in the top six at the end of the season has automatic access. Any team that is in the top 12 may be chosen by the bowls for two at-large positions.

Even prior to the BCS, the participants that are now in the BCS bowls came almost exclusively from BCS conferences, with no opportunity for other conferences to participate. Now they have such opportunities by winning on the field over the course of an entire season. The BCS did not alter the landscape of who played in the major bowl games. This was and still is dictated largely by networks and bowl committees who want the best teams and the teams whose fans are likely to fill their stadiums.

Myth three is the fairness myth, that somehow it is unfair for these non-BCS schools not to have a visible role in the BCS even though they have not fielded highly competitive teams on a sus-

tained basis. The argument is too broad and has very serious implications.

My university competes with other universities on a wide range of issues beyond football. We compete for students, for faculty, for research grants, for recognition. Our success in this competition is determined by our natural advantages, our traditions and location, the support of our constituents, and most importantly, by the strategic decisions we make in directing our resources.

All of the major universities can point to some programs that are highly ranked, whether they are academic or athletic. This success did not happen by accident but by the choices we made and the context in which we operate. A law student who attends a Midwestern university has less access to employment opportunities in a Wall Street law firm than those who attend Harvard, even though many are just as bright and well trained. A student who wants to be an oceanographer will find it very difficult to do so by enrolling in Nebraska, just as a student interested in agriculture would be disadvantaged going to Harvard. Similarly, a student who wants to maximize his chance of playing for a national championship in football will most likely enroll in a school that has a history of football success.

The strength of American higher education is in its diversity. We all have areas in which we excel. Why is it valid to only claim that those who happen to excel in football are being unfair in doing so? Why shouldn't we open up access to endowments, to tuition income, to nationally recognized faculty, to Federal grants, to gifted students under a similar theory that it is unfair for any institution to be more successful than any other institution?

I thought that fairness in our society meant that if you worked hard, if you made the right decisions, if you were able to retain the allegiance of customers or patrons, and if you were successful, you should be able to enjoy the benefits of that success.

Notwithstanding our view that the BCS arrangement is wholly appropriate, I assure you that the BCS presidents are exploring in good faith with the other five conferences to see if there are ways to improve their situation without diminishing ours. We are doing so because we are colleagues, not because we fear antitrust inquiry or other legal action. I believe all of us recognize that any proposal that might emerge from those discussions will have to be tested in the marketplace to see if it has any economic value.

I thank you very much for this opportunity and I will be happy to respond at the appropriate time to any questions.

Chairman HATCH. Thank you, Chancellor.

[The prepared statement of Mr. Perlman appears as a submission for the record.]

Chairman HATCH. Dr. Cowen?

STATEMENT OF SCOTT S. COWEN, PRESIDENT, TULANE UNIVERSITY, NEW ORLEANS, LOUISIANA

Mr. COWEN. Chairman Hatch and esteemed members of the Committee, thank you for inviting me to address the issue of fairness and access, or lack thereof, in the Bowl Championship Series. I am here today representing a Presidential coalition from more than 50 universities which are not part of the BCS. These univer-

sities represent approximately half of all Division I–A schools. I want you to understand that this issue is really about creating a just system for millions of fans and for over 13,000 student athletes, including the 5,000-plus young men who play football at the 53 schools not in the BCS.

My commitment and passion for this subject is borne out of respect for these young people. Have you ever had to stand in front of a top ten-ranked team and tell them there was no opportunity for them to play in a BCS bowl, much less the national championship, because of an unjust system? I have, and it is not a situation I want anyone else to have to experience.

The Coalition's position is simply this. The BCS is an unnecessarily restrictive and exclusionary system that results in financial competitive harm to the 53 Division I–A schools who are not part of the arrangement, even though all of these schools must meet the same membership requirements. From our perspective, the BCS is unjust and unjustifiable.

Let me tell you what this issue is not about. It is not about who invests more money in their football programs. It is not about what system was in place prior to 1998. It is not about us wanting to transfer money from one university to another. These arguments, or ones like them, are merely smokescreens that fail to address the real issues. They are intended to divert us from the fact that the BCS is an anti-competitive and highly exclusive system created in concert by six conferences, four bowls, and a TV network. The fact that the goal of determining a national championship can be accomplished in a much less restrictive manner makes the current BCS system an even more problematic one.

Our legal concerns with respect to the university have been thoroughly vetted by the Coalition's legal counsel, Covington and Burling, and we are convinced the BCS presents significant antitrust issues. However, we also believe these concerns can be addressed by modifying the BCS system in ways I will describe momentarily.

The BCS needs to be significantly modified because it severely limits access to post-season play through its system of automatic qualifiers for favored conferences, preferential treatment of Notre Dame, statistically suspect ranking system, and interlocking arrangements with the major bowls and a television network. This nationwide web of competitive restrictions is a far cry from the old traditional bowl system.

In the past 25 years, Florida State University and the University of Miami grew from independent regional teams into national football powers. It is unlikely they could have achieved this success in the face of today's BCS restrictions.

The current BCS system has created significant branding, competitive and financial disparities between those schools in the BCS and those outside it. For example, since the inception of the BCS arrangement in 1998, the BCS conferences' 63 schools have shared a pot of approximately $450 million, while the other 54 Division I–A schools shared $17 million. Yet, we are all part of Division I–A. In other words, 96 percent of the revenues go to BCS schools and four percent to the remaining Division I–A schools, even though we account for approximately half of all Division I–A. This financial

disparity is a consequence of a highly restricted system, not one based on free market principles.

In addition, the BCS causes disparities that go beyond money. They affect Title IX, recruiting, facilities, the public perception of schools, and the very survival of many athletics programs. We believe the current system can be fixed by replacing it with one that has the following characteristics.

One, a system that is fair and inclusive.

Two, it fosters a unified Division I–A and enhances the vitality of all Division I–A programs.

Three, it provides reasonable opportunity for all Division I–A football programs to have access to what are now referred to as the BCS bowls, including the national championship.

Four, it meets the highest standards of legal soundness and is reasonably consistent with how national championships are conducted in all other NCAA-sponsored sports, including Division I–AA football.

Five, it respects the historical role of the bowl system and further enhances the value of post-season play for our fans.

And finally, it allows our student athletes to realize their competitive dreams.

Our Coalition will offer approaches with these desirable characteristics at our next meeting with our BCS colleagues on November 16. The Coalition believes our differences with the BCS representatives will be successfully resolved because we all share the same common goal, doing what is in keeping with the highest standards that guide our universities.

This hearing is an important part of the resolution process and we want to thank the Committee once again for recognizing the importance of this issue.

Chairman HATCH. Thank you, Dr. Cowen.

[The prepared statement of Mr. Cowen appears as a submission for the record.]

Chairman HATCH. Mr. Tribble, we are happy to have you here and look forward to your testimony.

STATEMENT OF KEITH R. TRIBBLE, CHAIRMAN, FOOTBALL BOWL ASSOCIATION, MIAMI, FLORIDA

Mr. TRIBBLE. Thank you. Chairman Hatch, Senator DeWine, and Senator Sessions, my name is Keith Tribble and I am the Chief Executive Officer of the Orange Bowl Committee, a not-for-profit organization that produces the annual FedEx Orange Bowl and its ancillary events. I also appear today as the Chairman of the Football Bowl Association and its membership of 28 individual bowls, virtually all of which are nonprofit organizations.

On behalf of the Orange Bowl Committee and the Football Bowl Association, I would like to thank you for the opportunity to discuss the merits of the college football bowl structure. Although the Orange Bowl is a participant in the Bowl Championship Series, I am not appearing here today in that BCS capacity.

The Football Bowl Association was formed in 1983 to provide a forum for bowl issues, to ensure that the quality of the bowls is maintained, and to promote the continuing respect for the bowls within intercollegiate athletics. Our organization today speaks with

a unified and strong voice for the preservation of one of the Nation's greatest annual traditions, post-season football.

A host Committee made up of community and business leaders manages each bowl game within the Football Bowl Association. In South Florida, the local organization producing the FedEx Orange Bowl is the Orange Bowl Committee. Since 1935, our mission has been to maintain a self-sustaining, independent organization supporting and producing activities and events that enhance the image, economy, and the culture of South Florida. I would like to point out that the Orange Bowl Committee proudly has Senators Bob Graham and Bill Nelson, as well as Governor Jeb Bush, among its membership.

Simply stated, for the past 90 years, bowl games have been the heart and soul of college football. The system has never been better. I would like to identify eight key areas that outline the merits of the bowl system.

The first one is participation. More teams participate in college bowl games than ever before. Fifty-six out of 117 Division I–A football teams will play in a post-season bowl game this year. Seventy-nine teams have participated in bowl games at least once during the past 5 years. Approximately 5,000 student athletes, 11,000 college band members, 1,000 cheerleaders, and millions of fans will take part in this tradition.

Number two, experience. Student athletes, alumni, and fans annually take part in the traditional college bowl experience, typically encompassing a week of special activities. Across the country, from Georgia to Texas to Idaho to California, no other post-season sports model is as unique as that in college football.

Number three, fan attendance. Fan attendance is at an all-time high in post-season football. A record 1.4 million fans attended bowl games last season. This figure represents 85 percent of total stadium capacity.

Number four, television viewership. The growth of television viewership for post-season football has reached unsurpassed levels. Last year, a record television audience of 117 million households watched college bowl games on six national networks.

Five, financial contributions to higher education. College bowl games contribute a huge amount of money to higher education. Collectively, the bowls have paid out an outstanding $800 million over the past 5 years and will pay out a record $185 million this upcoming bowl season. It is projected that at least $2.1 billion will be contributed over the next 10 years.

Six, economic impact. Bowls are a boost for the local economy and help promote the local tourism industry. This past bowl season, 28 bowl games generated an estimated $1 billion worth of economic impact for their host communities.

Number seven, the importance of the regular season. Bowl games bring a measure of importance to the regular season not seen in any other sport. No other collegiate sport plays as few regular season games as football, and every game means something. Conference championships mean something.

And number eight, the charitable contributions. In addition to the NCAA institutions participating in post-season college football, bowls also contribute significantly to local charities and causes.

Bowl games have been a historic part of this country for almost a century. They have provided some of the greatest moments in college football history and add to the pageantry, color, and excitement of this fabled game. Indeed, college football is a proud symbol of America.

On behalf of the Football Bowl Association and the Orange Bowl Committee, I would again like to thank you for allowing me to appear here today before you.

Chairman HATCH. Thank you so much.

[The prepared statement of Mr. Tribble appears as a submission for the record.]

Chairman HATCH. We will wind up with Coach Edwards. We are looking forward to your testimony.

STATEMENT OF LAVELL EDWARDS, FORMER HEAD FOOTBALL COACH, BRIGHAM YOUNG UNIVERSITY, PROVO, UTAH

Mr. EDWARDS. Thank you, Mr. Chairman. I am very pleased to be here this morning. What I want to talk about today are dreams and opportunities.

All of us dream about the great accomplishments we want to achieve in our lives. I have spent my life with young athletes and I can tell you that dreams are the fuel that drives them to excel. Now, there are dreams and there are fantasies. A dream can come true; a fantasy can't. The difference is opportunity.

The problem with the Bowl Championship Series is that it prevents student athletes at 54 universities from achieving the dream of ending the season ranked number one. Being a national champion is only a fantasy for these players. That is because the BCS is stacked in favor of teams from their six-conference alliance who alone can play in the national championship game at a predetermined bowl game site. In fact, players from those 54 non-BCS schools are the only college football players who can't compete for a national championship. Every other division in college football allow and offer their players the opportunity to compete for a national championship.

Mr. Chairman, the BCS system not only disadvantages some players' ability to compete, but also negatively impacts all bowl games. In addition, it creates a two-tiered recruiting system, as well as an unfair imbalance between universities in terms of revenue derived from football.

The national champion selection has altered greatly since 1984, the year that we won the national championship. Under today's BCS scheme, that 1984 BYU team couldn't have played in the title game. The system wouldn't have allowed it to happen.

Mr. Chairman, my fear is that if the BCS system continues, the gap between the elite college football programs and the rest of Division I–A football will continue to widen and many universities will be forced to drop or alter their programs altogether.

I have talked today about the national championship game, but another consequence of the BCS setup is a negative ripple effect it causes for the rest of the bowl games. After locking up the top four games, teams from non-BCS schools are shut out from the next level of bowl games. The organizers of those bowl games extend invitations to second, third, fourth, fifth, whatever place in those alli-

ance conferences, bumping the rest of us from the opportunity of playing in some of these games.

Mr. Chairman, teams from the six conferences use a stacked deck to their advantage, namely in recruiting, what some will argue is the most important component of winning teams. At BYU, a traditional recruiting hurdle was encountering PAC-Ten coaches who would tell kids if they attended BYU, they would never play in the Rose Bowl. Well, that was difficult enough to contend with.

After the formation of the 1996 Bowl Alliance, the recruiting hurdle was set even higher. With the BCS in place, PAC-Ten coaches and others could and would tell players not only couldn't they play in the Rose Bowl, but they couldn't or wouldn't play for a national championship game if they were to choose to enroll at school in Provo, and they were right.

Mr. Chairman, over the past 20 years, parity has come into college football because of fewer scholarships that are offered annually. Many in the university community agree reducing the number of scholarships per team has been good for the game. Why, then, would the NCAA sanction a post-season system that congregates more power and revenue in fewer teams? It is inconsistent and counterintuitive.

The BCS system is not good for the game and it is not good for higher education. Surely the NCAA and Division I–A football can join the other 22 intercollegiate sports and devise a system that determines a true champion, preserves the integrity of the game, and levels the playing field.

Mr. Chairman, members of the Committee, right now, teachers, counselors, parents across the country are telling young men and women that if they work hard, commit themselves, and never lose sight of goals and dreams, they, too, can become a U.S. Senator. Every person in our country has that opportunity to turn dreams into a reality. It is the reason each of you is here today. The reason I am here is that because of this flawed BCS system, talented young athletes are denied an opportunity to make their dreams come true, and I believe it is wrong.

Thank you very much.

Chairman HATCH. Thank you, Coach.

[The prepared statement of Mr. Edwards appears as a submission for the record.]

Chairman HATCH. All five of you have given excellent testimony. We have a vote on and I am a little bit late for it, but I wanted to make sure I got through this panel. So we are going to recess until probably Senator DeWine gets back and I have asked him to ask any questions he has and anybody else who comes and I will come back as soon as I can.

With that, we will just recess until we can get back, but I really appreciate all of you.

[Recess.]

Chairman HATCH. I am sorry to have us interrupted by roll call votes, but it is one of the necessary things around here, so I apologize to you. I note that Senator DeWine is here.

Let me just start, with you, Coach Edwards. I know you are the best and I don't know anybody who doesn't respect you as a human being, as an honest person, as a great coach, and as somebody who

really has done an awful lot for college football and pro football. I have a great deal of confidence in you. What is the answer to this? What would you suggest we do, or that the respective parties do, to resolve this? If there is some way of doing it within reason, it would seem to me people ought to consider that. Do you have any ideas there?

Mr. EDWARDS. Well, one of the great advantages I have right now is the fact that I am not working for anybody and I am—

[Laughter.]

Mr. EDWARDS. —I am not associated anymore with a university or with a bowl game or whatever else.

Let me begin by saying, number one, that I am in favor of keeping the bowl games as we have it. I have seen a lot of plans where people would like to incorporate the bowls in some kind of a playoff. I think that would minimizes the bowls.

What I would like to see happen is they can expand the four BCS bowls now to possible six and then at the end, after those six games are completed, have a one-game playoff with just two teams. They would have to seed them or however they want to do it. But they could create a couple of spots.

I will tell you right now, unless you are playing in the championship game, the other BCS bowl games, are losing interest more and more every year. I watched the Orange Bowl a couple of years ago when Nebraska was playing in it and I saw a lot of empty seats in the stadium, which you never saw before with a Nebraska team traveling anywhere. There are a lot of issues dealing with that.

I believe that you could take the non-BCS schools and have a one-game playoff similar to what people are having—it wouldn't even be a playoff, it would be tantamount to a conference championship game. I think the only reason the ACC has raided the Big East Conference was to get three premier teams so they can get to 12 total so they can have a conference championship game. They tried to seek permission from the NCAA to get a championship game with only 11 teams and they were denied, so now they go out and pick up Boston College to reach the number necessary.

We could take the four conferences in the non-BCS schools, have a one-game playoff, take the champion of those two, and play in one of these six BCS games. That would still give them the opportunity—when I say them, speaking to BCS—they could still take—they would have spots there in those games, and every game would have meaning, which it doesn't have right now. Any spin they want to put on it, that is simply not the case. And then take the two top teams from that game and have one-game playoff.

I don't think it would hamper at all the revenue that they are receiving now. In fact, I think it probably would even enhance it with this one-game playoff.

And you are not obligating—and we talk about the players suffering, late in the season, whatever else. In 1996, we finished a season 14 and one. We were denied access to the—even though at the end of the season, we were 13 and one, the first year of the Bowl Alliance, we were ranked number five in the Nation. We never even got a smell as far as getting into a BCS game. But we were invited to play in the Cotton Bowl and the Cotton Bowl was a marvelous experience for us. It was a New Year's Day and it was

a great excitement, although we were disappointed for not getting a BCS game, this was great. Now, we can't even get the Cotton Bowl, we can't get a number of bowls.

So it truly is unfair and I do believe that there can a system worked out that is not going to take any money away from them and come up with a system that would allow an opportunity or an access and bring a little bit more fairness into the whole system.

Chairman HATCH. You also mentioned the difficulty of recruiting.

Mr. EDWARDS. Recruiting?

Chairman HATCH. Yes.

Mr. EDWARDS. Oh, no question about it. I mean, that issue comes up all the time. Recruiting is a tough situation. If you are out in the middle of nowhere, as Nebraska and other schools, it is tough. You have to go a long way to get people to come to your school. The closest for us is the West Coast because of the nearest part of the population. Now, we have always fought the battle of the Rose Bowl. That was one of those realities.

But they just keep adding things now. We don't have the benefit of even going to two bowl games—our conference started the Fiesta Bowl and the Holiday Bowl. Pluse others close to us. It is not fair, and not only that, it is not right. It is not just.

Chairman HATCH. Thank you. Mr. Perlman, you argue that BCS's revenues constitute a very small part of the overall athletic program revenues at your university. Given that, why are you so vehemently against letting non-BCS schools even have the opportunity to compete with you for that revenue?

Mr. PERLMAN. Senator, we are not against them having the opportunity to compete for that revenue. It is competition on the playing field. BYU in 1996, I believe, would have played in a BCS bowl. They were ranked fifth, and anyone in the top six automatically qualified for a major bowl under the BCS arrangement. It was the prior arrangement that prevented them from doing so.

The issue isn't that. We have opened up access to bowls that before were not possible. The fact is that it is possible for a BYU player to play in the Rose Bowl now, where they would have never been able to do so before. It is also possible for a Nebraska player to play in the Rose Bowl, which was not likely before.

The question is, how are you going to determine the national championship in an arrangement in which there are a lot of independent actors, where television networks and fans want to see teams that have had sustained competitive success. So there is no intent on our part nor in practice to preclude them from the opportunities to compete.

Chairman HATCH. As you know, there are only four BCS bowls and only eight teams can participate and six of those spots are guaranteed to the champions of the six BCS conferences and, thus, only two slots available for all 111 remaining teams in both the BCS and non-BCS conferences. In addition, it is argued that the BCS ranking system that determines which teams will participate in the BCS bowls unfairly favors teams that are members of the BCS conferences. Do you dispute that, or—

Mr. PERLMAN. Well, let me respond to both of those. The reason there are automatic qualifiers in the current arrangement was because the conferences that are currently part of the BCS had affili-

ation agreements with these four bowls prior to the BCS. So the question was, do we give up those affiliations in order to create the BCS. That could be argued one way or another, but it doesn't change the landscape by adding the BCS to that mix.

The fact is that, again, if you look at the four bowls that constitute the BCS, throughout their history prior to the BCS, the teams that participated are largely, almost exclusively, schools that now currently are in the BCS conferences.

So the question is cause and effect, and I guess our view is that the BCS has not changed the landscape of competitive equality. It has not changed the landscape of who plays in the BCS and who gets the money. The only change we have made is we have created a system where you could actually have a national championship game and we opened up access to schools that before had no access to those bowls.

Chairman HATCH. Dr. Cowen, tell me whether you like Coach Edwards' ideas and answer Mr. Perlman why that is wrong.

Mr. COWEN. I think both in substance and spirit, the BCS arrangement put in effect in 1998 is substantially different than what was there before, because what we do now have in 1998 are six conferences, four bowls, and a TV network in a set of horizontal agreements where they then also determine how a national championship will be played. They develop the ranking system without consultation with 54 other schools. And this is substantially different than exists before. There was no national championship before.

So I would say, first of all—and there is also a presumption that the system that existed prior to 1998 was a fair and legal one, and that was never really challenged even though Senator DeWine had wonderful hearings about it and raised a lot of issues.

That is why I say, I think we really have to look at the substance of what is going on here. Six conferences, four bowls, one TV network, a set of horizontal agreements. They determine the ranking system. They determine the automatic qualifiers. They are the ones that gave preferential treatment to Notre Dame.

Chancellor Perlman do agree on one thing, is access is a myth because there is theoretical access, which, in fact, exists, but practical access does not. So that is my view of the BCS.

Now, secondly, about the solution, my critics on the other side always use as the straw man the deficiency of the 16-team NFL-style playoff. That conjures up everything that could be bad about college. And the fact of the matter is, we do playoffs in every other sport in the NCAA, including I–AA football. So the culture of playoffs is in the NCAA.

And we say, well, we can't do it here because of student athlete welfare. Every university president would agree there. I just wish we would have consistency about student athlete welfare across all sports. Why all of a sudden is it only germane when it comes to football when you, in fact, in basketball play 35 games. Baseball plays 60 games. That is much more intrusive.

So I think the arguments that I have heard in terms of not doing a 16-team NFL-style playoff are interesting arguments, but quite honestly, don't hold water when you really peel away the layers of the onion.

Now, having said that, I think there is a way to do a modified playoff that is somewhere between a 16-team and what we have right now, and Coach Edwards did mention that. There is a way that you can respect the integrity of the existing bowl systems but let the championship game be after those bowl games. That doesn't mean it has to be a round robin. You can go right from 12 schools, if you had six bowls, let it get down to six winners and select out of those six who will play in the national championship game. By going to six bowls, you create more access points for other conferences so you have taken the fairness issue. So I think there is a modified playoff that would take care of everybody's concerns if, in fact, we are open to it.

The last thing I would say, Senator, is that on November 16, the coalition I represent is going to put a very concrete proposal on the table for our colleagues on the other side. It is going to be a principled solution consistent with what I gave in my testimony, but it is going to be very concrete about what we want. We are very optimistic, and I want you to know this, that our colleagues are open and sensitive to these issues and we will get them resolved.

Chairman HATCH. Thank you. Coach Edwards, you wanted to respond.

Mr. EDWARDS. I just wanted to make one comment in answer to what Chancellor Perlman said. He said had we in 1996, when we were 13 and one, under the system now, we would have been selected in 1998. That is not true, because in 1996, they did not have their formula. They have a formula now that simply would have preclude us because of our strength of schedule, plus other criteria in the formula.

In 2001, BYU was 12 and zero after they had just finished beating Mississippi State at Mississippi State. Then unfortunately, they lost the next week at Hawaii. However, there were projections made based on their formula and whatever else. BYU would have never gotten higher than ten or maybe nine on the radar screen as far as that formula is concerned. So to say that the system had been in place in 1996 is simply not the case at all.

Chairman HATCH. Okay. Senator Biden, we will turn to you.

Senator BIDEN. Gentlemen, I again apologize for having to be down at this hearing on Afghanistan, and if this is redundant, Mr. Chairman, you tell me and I will read it into the record. But explain to me again why the playoff system in AA does not work, would not work, in big-time college football.

Mr. BRAND. May I try, sir?

Senator BIDEN. Sure.

Mr. BRAND. The big difference in I–A football from everything else, I–AA football, from basketball, from all the other playoffs, are the bowls. That is the additional factor that changes the landscape. The bowls have a deep and important history, a part of football. We all know that. And I think everyone is wont to make that go away. We want to find a way—

Senator BIDEN. That is not true, by the way. I mean, there are a whole lot of us in the East who don't give a damn, really, about the Rose Bowl. There are a whole lot of us in the East who don't give a damn about the Sugar Bowl. There are a whole lot of us in the East who don't give a damn about the Orange Bowl. If they are

the only things there to get to play in, we care about them a lot. But there are a whole lot of us in the East who would much rather see a playoff system.

But I want to know, what is the mechanical difference? Why mechanically will it not work? Why functionally would it not work in terms of stress on players or student quality of life or all these other things?

Mr. BRAND. There is no functional reason why it couldn't work. That is correct.

Senator BIDEN. All right.

Mr. BRAND. But the desire by others to keep the bowls intact is what is leading in that direction. Now, what about the idea of having a post-bowl championship? That is—

Senator BIDEN. What about the idea of having post-bowl games after the championship?

Mr. BRAND. That is what I just asked.

Senator BIDEN. Oh, okay. I am sorry. I have got it. I misunderstood you. I apologize.

Mr. BRAND. And here is the question that has to be answered, if that makes sense. Some people claim that by doing that, you diminish the interest, fan attendance, and most especially the television-media interest in the bowls. Is that—if there were a post-bowl game. Is that true? I don't know. I mean, I think that has to be market tested. So the solution that has been proposed may or may not be a good one depending upon the market tests.

Senator BIDEN. What would you say if the market tests were that you would find the television audience was three times as big for a national playoff as it would be for the Rose Bowl, the Cotton Bowl, the Sugar Bowl, or any of the four major bowls? Or let us assume that you took all four bowls and combined them, and I could show you—I can't—I show you the market test that a playoff for number one and two for the national championship would draw a larger audience than all four bowls combined.

Mr. BRAND. That would be a very important factor. Another factor you are going to have to consider is what is the impact on the local communities if the bowls are diminished, because they produce a lot of local economic development.

Senator BIDEN. Well, I know that, but what about the impact on our local communities where the bowls aren't and where teams who otherwise might get to play in this are?

Let me ask you one more question, and I am not in any way denigrating the bowls. I mean, my Walter Mitty dream for real wasn't to be a U.S. Senator. I actually thought I could be a flanker back for the New York Giants. I know that is ridiculous, but I really did think that—

[Laughter.]

Senator BIDEN. and I went off to school on football. I got a lot of football scholarship offers out of high school. I was a relatively good athlete, and like much of the rest of my life, it proved not to pan out.

[Laughter.]

Senator BIDEN. But at any rate, having said that, let me—so I am not belittling the bowls. I mean, I understand the great tradition that they are and what they—but the bowls back in the days

when I was coming up—I graduated from college in 1965—the Rose Bowl was essentially a regional fight. No one in the East gave a damn about it. It was the pageantry. You turned on the Rose Bowl to see the floats.

[Laughter.]

Senator BIDEN. I am not being a wise guy. I am not being a wise guy. I went to Syracuse University. I mean, you know, the Rose Bowl was the Big Ten and the Pacific—that is what it was, basically. I mean, that is what it usually was every year. So it was a great tradition, but it was like the Army-Navy game. It is a great tradition but it doesn't mean anything except to Army and Navy.

Chairman HATCH. You are losing the California vote, Joe.

Senator BIDEN. No, I am not—

[Laughter.]

Senator BIDEN. Well, in addition to deciding I couldn't make it as a flanker back, I have concluded I can't be President right now, so I am not making any compromises here.

[Laughter.]

Senator BIDEN. But all kidding aside, one of the things that has happened is that—well, I shouldn't—the bottom line here is that what you really seem to be saying to me when you cut everything aside is that the only reason not to have a playoff to find out in a more legitimate way, in my view, who is the best team in America is that the regional revenues, the local revenues the bowls generate—which is a legitimate concern—for the cities in which they are held and the region in which they are held, and secondly, because of the total revenue produced from those bowls.

I wonder, and I realize it is not exactly comparable, but is there any correlation between who watches what the market share for the Final Four in basketball is and what the market share is for any one of the bowls? Does anybody know that answer?

Mr. TRIBBLE. Senator—

Senator BIDEN. I realize we are comparing apples and oranges.

Mr. TRIBBLE. I can speak directly on that particular question. I think last year, and I don't have the exact figures, but the championship game for the BCS did better than the final game of the Final Four in terms of the ratings.

Senator BIDEN. Okay. You mean each one of the bowls did better than—

Mr. TRIBBLE. Collective, no, just the national championship game, the national championship game. The BCS national championship game—

Senator BIDEN. Got you.

Mr. TRIBBLE. —did better than the Final Four game, the last Final Four game.

Senator BIDEN. Got you.

Mr. TRIBBLE. So compare those apples to apples.

Senator BIDEN. But we are talking about a single game. We are not talking about all four bowls, correct? Or are we?

Mr. TRIBBLE. We are talking about a single game, a single championship game.

Senator BIDEN. A single championship game. Got you. Okay.

Mr. PERLMAN. Senator, I wonder if I could respond.

Senator BIDEN. Sure. Please do.

Mr. PERLMAN. Because Miles—

Senator BIDEN. Chuck Hagel told me to be very careful with you, whatever you said—

Mr. PERLMAN. I appreciate the Senator's help.

Senator BIDEN. So I understand. And he said he is not feeling very good these days anyway, the last couple—but go ahead.

Mr. PERLMAN. I would just report to you on the playoff issue and what the university presidents I have talked with think. We have had a conversation of this among the presidents of the Big 12. I know the Big Ten and the PAC Ten presidents have had the same. And we do think it relates not just to the money or not just to preserving the bowl games, although the bowl games are important to us because they have been a long part of our traditions.

But many of us do think it has academic consequences for student athletes. Football is a very demanding sport physically. It is also a very demanding sport in time. It is a sport that, right now, is played solely in one semester and it gives the second semester for student athletes to catch up on their studies—

Senator BIDEN. Well, the truth is, even when I was playing, it was a two-semester sport. In your school, it is a 12-month-a-year sport.

Mr. PERLMAN. Certainly the conditioning is 12 months, but the question of being away and being at games is a single semester. The question about how many physically demanding games you can ask 17, 18, 19, and 20-year-olds to play is an issue, and there is no medical evidence one way or the other.

We do not believe a playoff system would work well for our fans unless those—

Senator BIDEN. Why are these same considerations not so dire for I–AA? I mean, what is the difference here? Why for I–AA, which on balance have academically higher ratings as universities than you guys, why is it for them that it is not so damaging to student athletes?

Mr. PERLMAN. Well, I can't speak for I–AA and I don't know the comparative data. All I can tell you is what university presidents—

Senator BIDEN. The number of games, I think would be the same, right? Roughly, I mean. Are we talking about more?

Mr. TRIBBLE. Senator, as a former student athlete, former football player at the University of Florida, I can honestly tell you that—

Senator BIDEN. You don't know anything about I–AA, being at the University of Florida.

[Laughter.]

Mr. TRIBBLE. I can tell you the level of play is a little different—I think Coach can tell you that—between I–A and what he expects and the I–AA. It is a different game. It is just a totally different game, from a former student athlete standpoint.

Senator BIDEN. No, no, I am a former student athlete, too, not as good as you, but I am a former student athlete, too. Even at a little old school like mine, it was a 30-hour-a-week job playing football.

Mr. TRIBBLE. Right.

Senator BIDEN. And a lot of these I–AA schools, it is taken very seriously and it is a big deal and you do, at least at a little old

school like mine, unless you started in another sport, you had to play spring football, and spring football wasn't just the 20 days. Spring football was the 20 days before and the 20 days after and it was a full-time job and you showed up and you had—now, you didn't travel. You didn't travel, that was the difference.

So I am not suggesting the quality of the—I mean, it is a different level. Little old Delaware has an offensive line averages 314 pounds. I mean, these guys aren't—you know, this is not like when I used to play. These guys are required to be in the weight room 20 hours a week. It is—I realize you guys are the real deal. You guys are one click below the pros, and some would argue you are the pros and we should make it that.

No, I am serious. As you well know, some people, like me, begin to think maybe we should just declare, look, you choose to be a school that is going to have, essentially have professional athletes and you can do that. But that is a different story. That is not about this.

The point I am making is that although when I was playing, I would get hit by a linebacker who weighed 210 pounds and it hurt. Now you get hit by a linebacker that weighs 265 pounds and runs the 40 as fast as I can run and it is a different deal. I got that part. I understand that part. I remember seeing those black and blue dots, you know, when you get hit by guys like you.

[Laughter.]

Senator BIDEN. I remember my coach once saying to me that, look, the difference between playing—my high school. The difference between playing caliber high school football, caliber college football, and pro football is the following. For a guy like you, Biden, once a game, you may get your clock hit so hard you see those little black and blue dots. In college football at a competitive level, you are going to see those dots about every fourth time you get hit. In pro ball, you see those dots even before you get up on the line. I mean, it is just constant.

[Laughter.]

Senator BIDEN. So I got the difference in quality. I really do. But what I still don't get is why the pressure on I–AA athletes playing I–AA football—like, for example, you had a little old school that was I–AA that you all kind of made fun of, is now I–A and beat a number of the top—it beat two of the top ten teams and it won the national championship in I–AA every year, you know what I mean? They are not bad. A little school like McNeese State could take you to the cleaners every once in a while, Coach. You know, down in Louisiana, these boys take that football seriously.

Mr. EDWARDS. That is why we didn't schedule them.

[Laughter.]

Senator BIDEN. Oh, by the way, that is exactly why you don't schedule them. No, I got it. So I am not trying to be humorous here, but what I am trying to get at is not suggesting that I–AA football is of the quality and the level of competition that, quote, "big-time football" is. It is not. I got that. But what I don't get is why that difference in quality—not intensity, quality—is, in fact, so stark that it is all right for the student athletes to play in a playoff in I–AA but it doesn't work for big-time football. I don't quite get that.

Mr. EDWARDS. May I make just one comment. We may be the only Division I–A school that has played a 15-game schedule. I don't think anybody else has. We were 14 and one in 1996, the year that we were passed over by the Bowl Alliance, and I didn't notice anybody flunking out of school or jumping off a bridge or whatever else as a result of that season. That is just one experience we had.

Senator BIDEN. My time is up and we probably are all thankful for that—

[Laughter.]

Senator BIDEN. —but I just don't quite get it, why it is that different.

Chairman HATCH. Thank you, Joe.

Senator DeWine?

Senator DEWINE. Thank you, Mr. Chairman. As I am sitting here, it sounds like 6 years ago when we held our hearing. I am not sure things have changed a lot. The witnesses are different, but the issues, I think, are pretty much the same and the arguments are pretty much the same. We have had six more years of experience.

Let me approach this kind of as a fan. In Ohio, we have Ohio State and we have a lot of other good teams. We have the Mid-American Conference, for example. So we can approach it from several different perspectives in Ohio. I think you can appreciate that.

I understand that a lot of this is about money. I understand that the bowls, for example, have to have teams in there that are going to attract fans. They have to get teams in there who the TV networks know will attract people who want to watch those teams play at night. They also have to have fans who travel well. They pick teams that fans will follow them. I understand that. I get that. I think we all do.

From a fan's perspective, it seems to me that the current system does a good job, as well as can be done, of getting us a game, one game a year where we see the number one team and the number two team. That is never perfect. We can argue who is number one, who is number two, who is three, and maybe it is wrong, but it is probably about as good as we are going to get, and that is an improvement and I think most fans want to see that. So I think that is a positive.

I think there is a problem, though, with the current system and I would like your reaction to this. When you have four major bowls and you have eight slots and you have six of those slots that are guaranteed already going in to certain conferences, and then you have a seventh slot that is going to go to Notre Dame if they are in the top ten, and so theoretically, you have got seven slots that are gone, off the table, in any given year. So you have got one slot left for everybody else.

Now, let us start with Mr. Perlman. Tell me what is right about that for a fan.

Chairman HATCH. By the way, this is coming from Ohio State himself, so—

Senator DEWINE. Yes, and I have already said I liked the last year. Let me tell you something, watching that game, past Ohio State wouldn't have been in a national championship game. We would have been at the Rose Bowl, and I would have been here ar-

guing and saying we really were number one, and we won the Rose Bowl and we should have been number one, but, you know, some stupid people who were voting, the coaches and all these other different rankings, they didn't put us number one.

So I am not saying we should even change our system. I am not making that argument. But what I am saying is the current system does a good job in giving us the number one and number two game, but it seems to me the rest of what we are doing poses a problem for fans and it poses a problem for all the other schools, and the schools who—kind of the Cinderella schools, who in any one given year may be—what are we playing now, 11 and zero, 12 and zero, ten and zero, whatever they are playing in any one given year, and who have a great year, and then they look up at the end of the year and they say, what about us?

What do you do to those teams that say, well, the system is rigged now? And if your answer is it was rigged before, I get that, but I am not sure that is going to satisfy me if I am a young man or the coach of a team that has had a great year and here we are and we think we ought to be there, and you say, well, I could be in the rankings, but I am competing for one slot, one slot left.

Mr. PERLMAN. Well, Senator—

Senator DEWINE. What is fair about that?

Mr. PERLMAN. Well, first of all, I think you do have to take into account the fact that we basically have a playoff system in the fact that we play it off every Saturday during the regular season. And so the teams that are in those rankings have played strong teams and have been successful and that is fan-based. One of the concerns we have always had with the playoff is that it would diminish the value of the regular season.

If you want to talk about Cinderellas, Northern Illinois would never have had its game televised last week nor had "Game Day" appear on its campus if we were in a playoff system where they would never have emerged at the end. But they were the Cinderella team that beat three BCS teams and they got a lot of attention and it was exciting and agrees to that. But the structure—

Senator DEWINE. Well, you have got to explain that to me, because they were ranked and Bowling Green was ranked and that is why we got a good game. So you have to explain that to me. We had two teams that traditionally were not ranked. We had them ranked in the MAC, which was very, very unusual, and so the networks said, hey, this is interesting, and we had "Game Day" at the MAC and Bowling Green, Ohio, and we all thought it was a great deal. So I agree with you. We loved it.

Mr. PERLMAN. If we were in the playoffs—

Senator DEWINE. And if you were Dick Durbin, you didn't like the outcome, but if you are Mike DeWine, you did, but that is okay.

Mr. PERLMAN. If we were in a playoff system, that game would have been insignificant. That game would have been insignificant. Right now, every game you play, every single game you play is critically important if you have any—

Senator DEWINE. Let me just interrupt you. You could devise a system that was different from the old system. See, what you are saying—your argument would be, well, we would have to go back to the old system. What I am saying is the choices in life aren't just

the old system and the current system. There could be another system which would not automatically say that certain conferences get six of the eight, plus Notre Dame can get seven. That is all I am saying. I am not advocating for that, I am just being sort of the devil's advocate here to get your answer.

Mr. PERLMAN. There are other systems and maybe some of them would appear to be fair. You could take the top eight teams as ranked and put them in the bowl games. That is something that could be openly discussed.

The actors here, however—I mean, there are other issues involved with doing that. The bowls want to assure that they have teams whose fans will travel because their economic survival depends upon it.

Senator DEWINE. Sure. Oh, I get it.

Mr. PERLMAN. The networks want teams that will attract a fan base beyond their own. And so, yes, there are other systems that are, on one level may appear fair, but on other levels raise very difficult questions about the economics of these arrangements.

Senator BIDEN. Could I interrupt and ask a question?

Senator DEWINE. Well, I have got a red light here, but yes?

Senator BIDEN. I am confused. Assume you took the top eight teams. Is the suggestion that any one of those top eight teams are not likely to have the fan base that would travel? Is that what you are saying? In other words, only those in the conferences who have demonstrated they draw these large crowds would have enough of a fan base to travel? Is that the idea? I am not disputing it, I just want to understand what you mean by that.

Mr. PERLMAN. There are teams that travel better than others. We have sort of been known for traveling well.

Senator BIDEN. I mean, are there any teams that haven't traveled to the bowls? I mean, can you give me examples of a history when the Rose Bowl wasn't filled? Can you give me an example of when the Sugar Bowl wasn't filled? Can you give me an example when the Fiesta Bowl of late wasn't filled? I mean, I am confused by that one. That seems to be, in my old business as a lawyer, that seems to be a bit of a red herring, Mr. President.

I mean, if you can show to me now when so-and-so and so-and-so played in the Rose Bowl, they only had 70 percent capacity show up. That was it, and there were empty seats. Can anybody name for me any time when any of the four bowls we are talking about did not have a capacity crowd? Maybe that is true. I don't know. It is a genuine question. I may be mistaken. Or is it just they don't wear red?

Mr. PERLMAN. Well, if they didn't wear red, they wouldn't be from Nebraska.

Senator BIDEN. That is my point. No, I mean—I wish we would be a little more straight about this, you know what I mean? If there is evidence of that, I would like it for the record, that there are times when teams have been picked before to play in the bowls where people didn't show up and what would make anybody think that any university that made the top eight, that was in contention to be the national champion, would not—we would not fill that stadium, whatever it was?

Senator DEWINE. Does anybody want to respond?

Mr. TRIBBLE. I will take an attempt at it, Senator. I can't recall of a specific time, particularly talking about the Orange Bowl, in the top eight, but I think when you get, in some instances, the top 12 or 15, depending on where the school ends up, it depends on how the school finishes. It could affect it.

I think one of the things that Senator DeWine was talking about is that the bowls are very adamant that, you know, they have obviously been doing this for 90 years and the point of being involved in this business is to provide that economic impact and to provide opportunities for the schools in terms of the money we pay. But that is all based on a business model, a model that looks at which schools can travel, which schools have the appeal to television and so forth and so on.

The one, I guess, good point about having a lot of potential at-larges, and yes, at some point we were looking at Northern Illinois because they had a potential in our game. But we were going to look at them just like the other six or seven schools that could have a possibility for a potential slot in our game and make a business decision based upon what is good for our area and what is good for our economy and what is good for producing the things that we need to do for the schools.

Senator BIDEN. I appreciate your answer, but what about the teams that aren't in these conferences and the fans that aren't in these conferences? It looks un-American. It really does. It looks not fair. It looks like a rigged deal. It looks like if you have the biggest team, if you spend the most money, even if you have turn-out, not to have the best team that year, then it is rigged. It is just not American. That is how it comes across.

Senator DEWINE. Mr. Chairman—

Senator BIDEN. Now, it doesn't come across in your conferences that way, but it comes across at Ohio University that way, which is not part of this. It comes across in a lot of these other places that way. I don't know, it just doesn't smell right.

Senator DEWINE. Mr. Chairman, in our previous hearing, there clearly was testimony—that is why I alluded to it in my statement—there clearly was testimony that certain teams, quote, "don't travel well" or fans don't travel well, and that was the testimony we had before. The allegation was that certain teams did not—their fans didn't travel and also that if they did travel, they didn't spend money. I know we had that testimony last time. I am not saying that is right, but that is what the testimony was.

There were examples last year, when you got away from the top four bowl teams, I read in the newspapers, read on the sports page where certain teams or schools were required, if you were going to accept this bowl bid, you were going to be required to guarantee X-number of tickets, that your school had to buy X-number of tickets. Now, is that right, Mr. Perlman? That is not unusual.

Mr. PERLMAN. No, that is common.

Senator DEWINE. You are going to have to guarantee, I don't know, 10,000, 15,000, 20,000, whatever it is number of tickets, and there were examples that I saw last year, at least one example I recall where a school had to eat some tickets, and they just had to guarantee X-number of tickets, so—

Senator BIDEN. For the top four bowls, Senator?

Senator DEWINE. Not the top four, no, sir. Not the top four. But these are bowls you had heard about and bowls you watched on TV. So this issue does come into play, but I think your point is that on the top four, when you are dealing with the top four, that—

Chairman HATCH. Their ability—

Senator DEWINE. —they are going to be sold.

Chairman HATCH. Dr. Brand, we promised we would let you go—

Senator DEWINE. I thank you, Mr. Chairman, for my time.

Chairman HATCH. —at 12. Do you need to leave.

Mr. BRAND. This is too interesting, Senator. Can I stay a while? I am having too much fun.

[Laughter.]

Chairman HATCH. We are glad to have you here, but we will understand if you have to leave.

Mr. BRAND. Thank you.

Chairman HATCH. Senator Sessions?

Senator SESSIONS. Thank you, Chairman Hatch. I love college football. I remember in the 1960's when my little senior class of 35, was graduating and we went to Montgomery. Our little group of five bought a $30-something bus ticket to Miami to the Orange Bowl to see Auburn and Nebraska play. We were convinced that no one could beat Tucker Fredericksen and Jimmy Sidel, but Nebraska did. Congratulations Mr. Perlman. So bowl games do have—you know, the thought of going off to some tropical paradise. There is a lot of history here and that is important.

I think about this past Saturday when Alabama and Tennessee played. Both of them have had disappointing seasons so far. Neither one will be in the national championship game. A packed house at Tuscaloosa, almost 80,000 people, five overtimes, one of the great games in recent years, and it was just a magnificent sight and spectacle, really. College football is special.

I think, Mr. Perlman, you touched on something that is not insignificant and that is what happens to the regular season games when you are not going to be in the national championship game? Nebraska plays Oklahoma or Oklahoma State or Texas and Auburn plays Georgia, the oldest rivalry in the South. Those games are important. I would kind of hate to have us suggest that the only thing that really counts in football is who wins this playoff, who gets hot the last week. We want a team to feel good about a seven-and-three, eight-and-two season. Mr. Brand, do you have any thoughts about that?

Mr. BRAND. I think the regular season games are absolutely important, and just as you say, I agree with you entirely, Senator, about the desirability for the fan base from the schools and we should never do anything to harm those. I concur with you entirely, Senator.

Senator SESSIONS. And that is why the TV ratings are good. I am sort of surprised how many SEC games are shown in this area on television. I realize people who grew up in the SEC environment want to watch their teams wherever they are, and there are a fairly decent number here.

Now, Coach Edwards' comments, I think, are not invalid. I think they have some validity to it. But I also have got to tell you, this knife can cut both ways. An eight-and-two Georgia team could beat

one of these 14-and-zero teams from a smaller conference. Or you take a Florida team that plays Miami, or Florida State plays Miami and loses by one point. Florida State has all year played tough games and they lose one by a small margin, it does not mean they are not as good as a 14-and-zero team who didn't have to play Miami.

So these conferences come together and they band together, Mr. Perlman, and they choose the best competitive programs to be in their conference. We can see expansion interest in the ACC. They wanted the best teams they could get with the biggest stadiums and the strongest programs because that helps the conference, but it also increases the strength of their schedule, does it not, and increases the likelihood that they may not get to the end of that season undefeated?

Mr. PERLMAN. It is hard for me to know whether it increases the strength of schedule or not. It may very well have that effect. Certainly—

Senator SESSIONS. Depending on how good the team brought into the program, you are right.

Mr. PERLMAN. You are exactly right—

Senator SESSIONS. It may not be.

Mr. PERLMAN. —and how many of the lower-tier schools of the conference they have to play because of the conference schedule.

Senator SESSIONS. Well—

Mr. EDWARDS. I was taken back a little bit by the comment that someone made about the Bowling Green-Northern Illinois game, that without the publicity of the game, its not meaning anything if we had a playoff. That is simply not the case. If we had a playoff, the winner of that conference is going to be invited to get into the playoffs. That part doesn't make sense.

The problem with—you can have an eight-and-two team and you can have a seven-and-three team, but you know what? They still have the opportunity to get into this BCS thing. A 13-and-zero Tulane team had no chance whatsoever and that is the inequity of the whole thing. All we are trying to say is the fact that there can be a way to work this out, to make it fair, but also that is not going to damage the system that you have in place today, and that is a closed monopoly on college football, any way you want to look at it.

Senator SESSIONS. Well, I would say that maybe the system can be improved. I think the Bowl Championship Series was an improvement. Alabamians felt like the Rose Bowl entered into that contract between the Big Ten and the PAC Ten to keep Alabama from coming out there. They used to go out there and win, and I guess they probably didn't travel, and didn't have any money if they did, in the Depression days so they would probably rather have a team that could travel better. But they were shut out of that.

And so I hope we are in a movement, I really do, that would provide more opportunity for openness. I really think we need to do that. But I am not unmindful of the great traditions of an Alabama or a Tennessee or an LSU or a Penn State, Ohio State, that carry the popularity, a Notre Dame team, that really drives the popularity of this sport. That is who people turn on their television to

watch most of the time. They have those historic storied traditions, packed stadiums, bands, and all the things that just really make college football such a wonderful spectacle. I think it is the greatest sport there is. A great football game between two big teams in college is just unsurpassed. It is just magnificent.

I don't know that some changes are going to ruin that. Coach Edwards doesn't believe it will, but I think we need to let our institutions here work together. The bowls have an interest. Television has an interest. They are paying the money to put it on and you need to have a game that people will watch. So all these things are factors.

Mr. Chairman, I think it is great for us to have this hearing and discuss it. I think we ought to be careful that we don't let lawyers and politicians stick our nose too much into this subject.

Chairman HATCH. Thank you, Senator.

Dr. Brand, we realize your members are split on this issue, but you have heard a lot of criticism here today. You have heard Senator Biden say that this seems to be un-American, the way this works, and very prejudicial and not fair. I guess what I am saying is that you are an educator, you are a teacher. Let me ask you, do you think this system is fair or can we make it better?

Mr. BRAND. I think the decision makers, namely the presidents—

Chairman HATCH. No—

Mr. BRAND. I am going to answer your question, sir.

Chairman HATCH. I am asking you.

Mr. BRAND. I think the decision makers, the presidents, share your view and my view, as well, that they will do everything possible to make it fair, attractive to fans—

Chairman HATCH. So that implies it is not fair.

Mr. BRAND. No, I didn't say that. They will do everything they can to make it fair, whether it has to be changed somewhat—I don't think radical change is in order, I really don't, in going for an NFL-type football approach on the one side and making no changes whatsoever on the other. I don't think those radical solutions are there. But there is a window, I think, to provide additional access for institutions and I do think that the presidents, the decision makers, will work towards that goal.

I have confidence in them that they do want football to be successful. They do see the benefits, as Senator Sessions said. And they do want fairness. That doesn't mean equality for all independently of what you start with. It means opportunities based upon success on the field. So I think they will work towards that, but I don't think one should expect radical change from where we are right now.

Chairman HATCH. Dr. Cowen, you wanted to comment.

Mr. COWEN. Just a couple of comments, Senator Hatch, if I may. First of all, I would like to just comment on something Senator DeWine said, because it was very key, about the fans. You ought to know, in the last 3 months, there has been at least three national polls of fans, and in each poll, over 80 percent indicated they want the BCS system changed. So the fan support out there is not for the BCS system if you could believe these polls.

The second thing is I think there is a lot of mythology about the competitiveness of non-BCS and BCS schools. I don't know if you

realize that in the last 5 years, in bowl games where non-BCS schools have played BCS schools, the record is eight and eight. So this mythology that somehow they are so much superior than we are doesn't exist in fact.

The third thing, if you look at the ESPN ratings for games where non-BCS play non-BCS schools, those ratings are very comparable to when the BCS schools play each other. So that would indicate that the audiences out there want it.

The fourth thing is, and this is the great irony for me, if the BCS schools are so superior competitively and they have invested so much money, why do they need all these restrictions? Because then, according to them, it will come out the same way anyway. So how on the one hand can you say we have invested all this money, this is a priority for us, it is a birthright, and then say, well, just in case, we are setting up all these restrictions to increase the probability. The logic of that doesn't strike me.

Having said all that, Senator Hatch, my colleagues on the BCS side are good and honorable people. I know a lot of them personally, including my colleague to the right. I am totally comfortable that we will reach a settlement because I do think everybody is going to the table with an idea of fairness and openness and opportunity. So I am cautiously optimistic we will get it. There is no doubt in my mind the current system is unjust and unjustifiable. But I think it can be changed and preserve a lot of the things that are good about it and also make it a fairer system for all the rest of us who constitute Division I–A.

Chairman HATCH. Let me just go back to Coach Edwards, and we will end this pretty soon. Senator DeWine's comments reminded me just a little bit of—Coach Edwards has one of the greatest senses of humor of anybody who has ever coached in college football and we all love him out there, but one time, Coach Edwards, he joked about BYU. He said, they don't travel well because BYU's fans arrive in town with the Ten Commandments and a 50-dollar bill and they leave without breaking either of them.

[Laughter.]

Mr. EDWARDS. And I got in trouble.

[Laughter.]

Chairman HATCH. Yes, he got in trouble for that comment. I am not—

Mr. EDWARDS. But we always filled stadiums where we traveled, for the most part.

Chairman HATCH. That is the point. There is a huge contingency all over this country of BYU fans that always fill those stadiums. But I just love that comment. That just tickled me to death.

But Coach Edwards, and then Mr. Tribble, as well, could you comment on how important traveling well is in getting a bowl invitation? Go ahead.

Mr. EDWARDS. Well, I don't think there is any question when you go to a bowl game that that is an issue that does come up. A couple of years ago, I don't know, three or 4 years ago, when New Mexico, I think, was ten and one and were not invited to a bowl game anywhere because the perception was that they didn't travel well. They certainly deserved to be somewhere because they had an excellent football team. I think that perception out there hurts and it creates

a situation where it even continues to make it difficult for a team to get out from under this. I think that had they had a chance, I think that particular team would have traveled well, but that is just supposition on my part.

But, you know, there are teams that travel well, but that is an issue. There is no question about it. Bowl teams always—that is one of the number one considerations that they have, that and probably how they are going to sell on television.

Chairman HATCH. Because of the great quarterbacks you developed over the years, BYU had a lot of non-Utahans, non-Mormon people who supported BYU and just loved to see the game played the way you coached it. So they didn't have any trouble filling those stadiums, I have got to say that, in spite of our propensity to carry the Ten Commandments and a 50-dollar bill and not breaking either.

Mr. Tribble?

Mr. TRIBBLE. Chairman Hatch, I agree with Coach. It is the number one issue that bowls look at. I mean, bowls are looking to see how many fans will travel to their areas, and that is not just the BCS bowls, that is all 28 bowls, and we make decisions based on that. We make decisions based on the alumni base, the appeal to television. So we have a business model and all of us have a business model that we have been using for over 90 years.

An example is that last year, we had Iowa versus USC. Iowa had 40,000 fans that attended that game and USC had 15,000 to 20,000. So the economic impact for our area was obviously tremendous. So we had a lot of people visiting our area during the time when, as we all know, we all need to stimulate the economy. So this, obviously, we do our part as a bowl to help that, and that is done in all 26 communities to help that part of it. But we do look at the fan support. We do look at the amount of fans that will travel as one of the criteria.

Chairman HATCH. Thank you. Are there any further questions?

Senator BIDEN. Yes. Could I ask one? I am confused about a few things. Let us assume that, for just the sake of discussion, as we say, to argue in the alternative, Mr. President, do you think that the four major bowls would not fill the stadiums if there was a national playoff and post-bowl play? Would you worry that they would not be filled?

Mr. TRIBBLE. Yes. I think from the Bowl Association's standpoint and from the BCS, and obvious, the BCS bowls are part of that, we are very concerned about anything that will really diminish the bowls. It has been said that it is akin to basketball, but basketball is different. We are talking about a sport that has to travel 30,000 to 40,000 people week to week and there are certain parts of the United States that an airline ticket will cost you $1,500 to travel to Miami, and if next week you are going to the Rose Bowl, that is another $2,000. Today, people just don't have that disposable income to be doing that kind of thing.

So that is why we feel very strongly that the system that we have in place today is good. It has worked, and obviously, the BCS is part of that.

Senator BIDEN. Okay. The second question I have is, President Perlman, you talked about the importance of the weekly games in

a season. The Senator from Alabama talked about the spectacles, which I agree with him. I mean, it is incredible. One of the most exciting games I have ever seen—I didn't care about either team—was Miss playing Ole Miss and being in the Grove down in Ole Miss. I mean, it is an experience. It is an experience.

But is anyone suggesting that if we had a different system, that Michigan and Michigan State wouldn't put 100,000 people in that stadium, or that Auburn-Alabama or Auburn-Georgia wouldn't put, whatever, 87,000 people in that stadium that week, or any of these great traditions would suffer week to week because there was a different system at the end determining who the national champion was? I mean, is that implicit in the concern about—I am not sure I understood this notion about affecting week to week.

Mr. PERLMAN. Well, Senator, I don't think any system is going to keep us from filling our stadium.

Senator BIDEN. Yes. I don't think so, either.

Mr. PERLMAN. And I am certainly not an expert on this, but I am told there is at least evidence that suggests that the playoff system in collegiate basketball diminishes the value of the regular season, both in terms of television revenues and others. You know, it is—

Senator BIDEN. But I don't understand—

Mr. PERLMAN. It is not going to hurt our fans, but the question is, how enthusiastic are people not directly connected with a university going to be to watch it during the regular season.

Senator BIDEN. Well, the point is that, you know, I don't know how—I mean, look. Dr. Brand, you said the NFL football model. A lot of us who are in States that don't have these big schools think you are an NFL football model. I am not being facetious. I am not trying to be a wise guy. They think you are an NFL football model. In every other way, you are a model of NFL football. All I have to do is go down the list of scandals every year that are legion. So nobody has to—I mean, the idea that the rest of the country out there that doesn't have a team in one of these six conferences, the idea that we don't look at you already and think you are an NFL football model, because that is what you are in the minds of many of us.

I don't know that you all get what other people think when they are not in these conferences and I find it kind of compelling, what Senator DeWine said. You have got eight slots. At least six are guaranteed of the eight slots. And you get to determine the ratings and the rankings about what constitutes competitiveness. I mean, that is like talking about the fox guarding the henhouse. I mean, you get to determine what constitutes competitive. That is like us saying, you know what we are going to do? We will let each party determine when the election results turn in and whether or not it was fair based on the outcome.

This patina of fairness and openness is just so much malarkey. There is no other place where you would say that a national championship or the champion or the winner has to be determined, which understandably, based on being weighted, based on their competition, and the six outfits that already get a slot are the ones that determine how to weight it. I mean, that is kind of interesting. I think you are all phony about that, not personally phony, but I

think you are being disingenuous. There is nothing objective about this. There is nothing objective about it.

Now, if you said, all right, what you are going to do is you are going to go out and the conferences and the other teams are going to submit the names of 15 people who each week will decide what the ratings are and there will be four independent folks that don't represent any conference in here or whatever sports writers, then, okay, I get that. There is no doubt it should be weighted, because, Coach, you are right. There are a whole lot of seven-and-three teams that could beat 14-and-zero teams.

And the one incredible thing about college football, or at least used to be, is that what does matter, even more than in the pros, is what does matter is heart. There are those incredible games where the folks with less talent beat the folks with a great deal more talent. That used to be the single most exciting thing about football, college football.

I am going to get in trouble here for saying this, but the reason I don't watch college football anymore, it is like pro football. Watching Miami—a wonderful school, by the way—play Florida State, I might as well turn on and watch the Eagles play the Packers. These are schoolboy athletes who have come out and made their way.

I mean, you guys are operating in a—I just don't get it and the point I want to make is the idea that this thing—it is like Senator—he wouldn't mind my telling this—Senator Dodd tells a story. When he first got here as a young Congressman, he was under the—neither one of us served in the House, but he was serving in the House and they have a five-minute rule where you get to stand up in front of the chamber—usually no one is in the chamber—and you get the chance to make a speech. Here with us, the danger is you can get up at any time and make a speech if you want and there is no limitation.

And he was making his first speech, he said, and I will not mention the other Congressman's name, but while he is standing in front of the House making a speech to essentially an empty chamber, he said this senior Congressman walked up and walked behind him and whispered. He said, "Kid, you are acting like this thing is on the level."

You guys are acting like this is on the level. You guys are acting like there is an objective means by which we weight this. Maybe what you all should do is go out and find an objective means to weight it, not change anything, but not let you guys determine how to weight it. Anyway—

Mr. PERLMAN. Senator, could I make one quick response to that?

Senator BIDEN. Sure. Please.

Mr. PERLMAN. I mean, it is clearly the perception that we control the rankings, and to be sure, we decide what elements go into the rankings. But each of those elements is out of our control. The fact is that we use the AP writers' poll, the coaches' poll, which includes coaches from Division I from these five conferences that are not part of the BCS. We use computer surveys that we have no control over. We use strength of schedule, which you can debate whether it is appropriate or not, but I think most of us intuitively think

that the stronger teams that you beat, the better team you are. And we use wins and losses.

So while, sure, we put it together and we said, these are the elements to be considered and here is how you figure it out and that creates a perception that we are in control, each of those elements, we have nothing whatsoever to do with.

Chairman HATCH. Let me just say in closing that one thing I am getting about this is there will be an effort to try and straighten this matter out. Now, I am suggesting to you as Chairman of the Judiciary Committee that that effort needs to take place, because there are a lot of people very, very upset at what they consider to be inequities and justice here and partiality and, to use the term, maybe phoniness.

So I am hopeful you are right, Dr. Cowen, that you can get together, all of your friends on all sides of this issue, and resolve this matter, because if it isn't resolved, it seems to me Congress could step in, because I do see antitrust implications here. Admittedly, admittedly, they are not clear-cut, but I do see them and I see some real problems if that is the route that has to be taken, or if the Congress has to rectify this situation. But it is not right to not have fairness in a system that we all value very highly.

So with that, I just want to compliment all of you for being here. We really appreciate you taking the time to be here. This has been a very, very important hearing. I have enjoyed all the questions of my colleagues and I have certainly enjoyed all that you have had to say. With that, we will recess until further notice.

[Whereupon, at 12:37 p.m., the Committee was adjourned.]

[Submissions for the record follow.]

SUBMISSIONS FOR THE RECORD

STATEMENT OF MYLES BRAND, NCAA PRESIDENT
BEFORE THE
SENATE JUDICIARY COMMITTEE
October 29, 2003

Chairman Hatch, Ranking Member Leahy and other distinguished members of the Committee, on behalf of the National Collegiate Athletic Association (NCAA), thank you for inviting me to appear before you today to discuss the Bowl Championship Series (BCS) and the NCAA's role in postseason football bowl games.

I am Myles Brand, and I have been President of the NCAA since January 1, 2003. I have been involved in higher education for more than 35 years as an academician; administrator; and for nearly 15 years before joining the NCAA staff, as president of two major universities – the University of Oregon and Indiana University. During my tenure in the field of higher education, I have worked on various efforts to address growing concerns regarding the detachment of intercollegiate athletics from the educational community and the academic mission of colleges and universities. In many ways, I see my job now as President of the NCAA as an extension of my interest on campus – the education and development of young men and women.

The NCAA is a voluntary association of 1,260 colleges, universities, athletics conferences and related organizations. The NCAA's primary purpose is to regulate and promote intercollegiate athletics in a manner that fully integrates athletics programs with the academic mission of higher education and student-athletes with the student body. As a membership organization, the NCAA serves as the governance and administrative infrastructure through which representatives of colleges and universities enact legislation and set policy to establish recruiting standards and

competitive equity among members, protect the integrity of intercollegiate athletics, ensure the enforcement of its rules and provide public advocacy of college sports. The NCAA also conducts 89 championships in 23 sports in which more than 45,000 student-athletes compete for the title of National Collegiate Champion. More than 360,000 student-athletes are competing in sports at NCAA member institutions this academic year.

Critical to understanding intercollegiate athletics is understanding how member colleges and universities create and direct national policy through the NCAA. The relationship between the member schools and the NCAA is often confusing to those outside of intercollegiate athletics. No authority resides with the NCAA unless granted by the member institutions through their representatives. Each institution retains far more autonomy over its athletics programs than is subject to NCAA national policy. For example, conference alignments, such as the recent Big East-Atlantic Coast Conference decision, are purely institutional issues. The presidents and their boards decide with whom they wish to affiliate; they have not assigned that task to the NCAA or any national organization.

The Association's three membership divisions each have their own federated governance structure. Since 1997, Division I has operated with a structure that places decision-making in the hands of 18 university presidents appointed by their conferences to a Board of Directors. The chief executive officers on campus, the presidents, hold the ultimate authority and control of intercollegiate athletics.

Division I is further subdivided in the sport of football into three parts – Division I-A (the 117 institutions with the broadest financial commitment to athletics), Division I-AA (which sponsors football, but with fewer scholarships) and Division I-AAA (which does not sponsor the sport of football). Among the 89 championships noted earlier, there are NCAA football playoffs in Division III, Division II and Division I-AA. These championships were all established by the member schools in those divisions or subdivisions.

The membership in Division I-A, however, has never voted to conduct an NCAA football championship for the institutions in that particular subdivision, although there have been several efforts to address the subject. In 1976, a proposal to establish a Division I-A football championship was introduced on the recommendation of a special committee that had studied its feasibility. The proposal was withdrawn, however, and never came to a vote. A resolution indicating that the Division I-A membership did not support the creation of a national football championship was adopted in 1988 by an overwhelming majority. In 1994, a blue-ribbon panel was formed to gather information regarding the viability of establishing a Division I-A football championship. The panel forwarded a report to Division I presidents, but no proposal to pursue a playoff was presented.

Instead, Division I-A has a tradition of postseason football participation through a series of bowl games conducted during the Christmas and New Year's holidays, which date back to the early years of the 20th century. Some bowls had agreements with specific conferences for participation of the conference champion, while others opted to fill only one slot through a conference agreement, leaving the other slot open for an at-large team. Significant benefits have derived

from the bowl games for the participating institutions, the communities in which they have been conducted and for the popularity of college football. Even before the Bowl Championship Series (BCS) was created, these holiday events brought a level of drama and excitement to postseason football and the communities where they took place that continues as a fixture of the American sports culture.

Nonetheless, many in the media and the public have maintained a steady push for a playoff that would determine a national champion on the field in Division I-A football. While resisting a multi-team bracket that would have elongated the football season, reduced the influence and excitement of postseason opportunities and abandoned the tradition of holiday bowl contests, schools in those conferences (along with the University of Notre Dame) created in 1992 what would become the Bowl Championship Series. The goal of the series is to match No. 1 and No. 2 teams in the season-ending game. Schools from the Big East, Atlantic Coast, Southeast, Big Ten, Big 12 and Pacific-10 Conferences comprise the BCS today. Their participation in the four major bowls of the BCS – the Rose Bowl, Orange Bowl, Fiesta Bowl and Sugar Bowl – is dominant. In fact, during the 15 years preceding creation of the BCS, there were 120 selections made to the four bowls and only once did a non-BCS school participate, and that was more than 10 years ago.

Unlike the NCAA's administration of other championships, its role in Division I-A postseason football is minimal, focused primarily on a certification process for bowls that ensures uniformity of bowl administration, financial stability and compliance with NCAA playing rules. The Association's involvement in Division I-A football was significantly diminished in 1982

when the United States Supreme Court ruled that the NCAA's regular-season television contract was a violation of the Sherman Antitrust Act. As a result, regular-season television has been the property of the individual member institutions, which have negotiated contracts through their conferences. As an extension of that role, the BCS schools have further negotiated joint television contracts for the four bowls in the championship series.

The NCAA also has the responsibility in Division I-A football to protect the integrity of the game and the sanctity of the subdivision itself. While there are 117 institutions in Division I-A, the BCS represents an agreement among 64 of those institutions to participate in the series with guaranteed participation for the champions in the six conferences, plus two additional at-large berths. Any team from a non-BCS Division I-A conference (Conference USA, Mountain West, Western Athletic, Sun Belt and Mid-American Conferences), or an independent can qualify if it is ranked in the top six in the BCS standings. Currently at issue and under debate is access to the four BCS bowls by the non-BCS conference institutions and the revenue that would result from increased access. The non-BCS schools have formed the Coalition for Athletics Reform to address their concerns.

There are at least four possibilities in the near term for addressing access within Division I-A postseason football. First, the Division I-A membership could vote to establish an NCAA tournament like the ones that exist in Division I-AA and Divisions II and III. The brackets for those championships range from 16 teams in Division I-AA to 28 teams in Division III. Second, an additional one game or three games could be played after the bowls to identify on the field a champion. Third, the method of ranking teams for the four bowls could be broadened, or the

number of bowls in the next iteration of the BCS contract could be increased. Or finally, fourth, the current system, or something very close to it, could remain in place.

While most in the media and many in the public favor a full playoff in Division I-A similar to that in other divisions, and similar to the National Football League playoffs, I do not. Here, I speak for myself; there is no official NCAA position on this matter. I have mixed feelings about the argument that such a tournament would have severe academic consequences. Only a few schools and a limited number of student-athletes would participate, and the impact would not be greater than football championships in other divisions or championships in other sports. From the perspective of protecting student-athlete time for academics, it would be better to limit the regular season games to 11, rather than the 12 that is now the case if the calendar permits. Rather, my reason for not favoring a Division I-A playoff is because it would diminish the benefits from the unique postseason opportunities the bowls have provided. This is an exciting feature of Division I-A football worth preserving, and a full-fledged, multi-stage tournament would detract too much from the bowl system.

Others have proposed one or three additional games after the current four bowls to identify the champion on the field. Although still controversial for most of the same reason, namely it diminishes the bowls, these more moderate approaches may be worthy of additional study. They would likely generate significantly greater revenue for many institutions in Division I-A that struggle meeting the demands for multiple sport programs competing at an elite level. However, the decision, it seems to me, should not be based solely on new revenue from media and

advertising contracts. Rather, it should be based on enhancing the integrity and excitement of college football at the Division I-A level.

I do understand the concern for greater access to the major bowl games. The expense associated with operating a Division I-A football program is not for every institution. A recently released NCAA study conducted by three distinguished Brookings Institution economists notes that spending in college sports, though a small proportion of a university budget, about 3.5 percent, is not trivial and it is increasing. In the difficult financial times facing universities, there is a need to offset as much of these expenditures as possible with revenue. For those who make the decision to assign football a high priority in their expenditures, there should be a fair means of competing for postseason play. This is, I believe, the essence of the Coalition's position.

It is also important to point out that no school, including the BCS institutions, should be disadvantaged by any new approach. In that regard, I do not favor any redistribution of revenue that accrues to the BCS universities through their media contracts in football. Although there currently is some revenue sharing that takes place, the large majority goes to those who make the greatest commitment and whom the market rewards. In other words, the current revenue structure is a result of the free-market at work.

Any changes to the current approach must add value for all the participants. This goal, if it is achievable, is to find the tide that will raise all ships.

On September 8, I facilitated a meeting where representatives of the BCS and Coalition schools began a conversation to address these issues. I am happy to report that the meeting accomplished more than anyone would have expected. It exceeded all of our expectations. All the participants emerged from the meeting with greater appreciation for those things they have in common, as well as respect and understanding for the differences. Those presidents have agreed to meet again November 16 to consider postseason football options put forth by their fellow presidents and conference commissioners. Frankly, I am optimistic that genuine progress is being made.

Over time and with a willingness to listen to the other side, I believe the presidents of these institutions can reach a mutually agreeable position that is fair, that acknowledges differences in tradition and investment levels, and that preserves the integrity of the game. I am committed to assisting both groups to reach this end. The NCAA can be the facilitator and neutral party that protects the game and the interests of Division I-A student-athletes.

This is the preferred approach to resolve the differences. Intervention by the courts or advocacy for one group over another by elected officials at any level will be counterproductive. We saw the results of such intervention in the recent conference realignment debate, and the emotions attendant to such discussions were only exacerbated.

This is the time for higher education to show its most statesmanlike, most collegial face. Ultimately, the university presidents are the decision makers, and I have great confidence that those presidents participating in the September 8 meeting and any other discussions will do just

that. In the meantime, I urge this committee to encourage the 117 institutions involved to come together, discuss their issues, and find solutions that will advance intercollegiate athletics and higher education.

Thank you.

TESTIMONY OF SCOTT S. COWEN
PRESIDENT OF TULANE UNIVERSITY
BEFORE THE U.S. SENATE COMMITTEE ON THE JUDICIARY
"BCS or Bust: Competitive and Economic Effects of the Bowl Championship Series On and Off the Field"

Oct. 29, 2003

Chairman Hatch, Senator Leahy, and esteemed members of the committee:

Thank you for inviting me here today to address an issue about which I feel a great deal of passion and urgency. I am grateful that the Senate Committee on the Judiciary has deemed the issue of fairness and access—or lack thereof—in the Bowl Championship Series to be worthy of serious review.

I am here today representing a coalition of more than 50 universities, and the 5,000-plus student-athletes involved in their Division I-A football programs, who are not part of the BCS agreement. I hope you realize as you read the written testimony and listen to oral presentations today that the issue is really about creating a fair and equitable system for these 5,000-plus young men who believe anything is possible, even a national championship, if you are willing to work hard enough to make your dreams a reality. This is a human-interest story with real faces behind it. My commitment and passion for this subject is out of respect for these student-athletes.

I can state my position no more simply than this: The Bowl Championship Series is an unnecessarily restrictive and exclusionary system that results in financial and competitive harm to the 54 Division I-A schools—and their student-athletes—who are not part of the arrangement, even though all Division I-A schools must meet the same division membership requirements. The coalition of presidents I represent believes the current

system is unjust, unjustifiable, and runs counter to the commitment to fairness and opportunity upon which our country and its system of higher education, including athletics, is based. The coalition also believes the current system should and can be replaced with a much less restrictive and harmful one that meets the goal of determining a national championship in the sport of Division I-A football. This is the goal of all non-BCS universities that I am representing today, and I must add that we are gratified that the presidents of the BCS schools with whom we met on September 8 have so far been willing to engage in a sincere and useful discussion about the changes that we so firmly believe are necessary.

Major Arguments Against the Current BCS System: A Review

In the past, on several occasions, I have articulated four arguments against the BCS. These include:

1) Unfairness. The BCS unfairly controls major postseason play in football, including the national championship game, by severely limiting access through its system of automatic qualifiers, biased ranking system, and interlocking arrangements with the major bowls and ABC Television. The net effect of this system is to make it virtually impossible for a non-BCS school to participate in the major bowls, including the national championship. This is true even though many non-BCS schools are more competitive than many schools in the favored BCS conferences.

2) Inconsistency. The current BCS system is inconsistent with how national championships are determined in all other NCAA-sponsored sports, including football at all levels other than Division I-A. This inconsistency in Division I-A football has existed for decades but has now taken on new dimensions under the BCS arrangement.

3) Harm. As a result of the two points articulated above, the BCS system has created significant financial, competitive and branding disparities between those schools in the BCS alliance and those outside it. For example, since the

inception of the BCS arrangement in 1998, the BCS conferences' 63 schools have shared a pot of more than $450 million while the other 54 Division I-A schools shared $17 million. This trickles down far beyond money to affect recruiting, facilities, the public perception of schools, and the very survival of many athletics programs. Ironically, many of the 63 BCS schools who share in this largesse are much less competitive than their non-BCS counterparts yet will share in the BCS pie simply because they belong to a BCS conference. Finally, I should add that the impact of these disparities extend beyond football to all other sports, including making it more difficult for many non-BCS schools to provide equal and fair opportunities for female athletes as mandated by Title IX.

4) Less Restrictive Solutions. One of the stated major goals of the BCS system is to create a national championship game. We support this goal but strongly believe there are fairer, more effective, and less restrictive means of achieving this objective. Indeed, the limitations and biases in the BCS process and formula already have created significant controversy in some years over which two teams should play in the BCS version of a national championship game. Approaches are available that create more value for all Division I-A schools, our fans, the networks and the bowls. It is to this end that we are currently working with our BCS presidential colleagues to see if we can find a solution to satisfy everyone's concerns and issues. We expect to know in the next three weeks if we can find a mutually agreeable approach.

Fairness and Access vs. Power and Money

The cynics who have followed this debate between the BCS and non-BCS schools think this disagreement is all about money. However, that is an oversimplification of a complex situation. The issue for non-BCS schools is about what principles should guide postseason play in football, including the national championship. We believe the current

system is inconsistent with the principles of fairness, consistency, inclusiveness and what is in the best long-term interests of all Division I-A schools and their student-athletes. We also want to develop a system that adheres to these principles and can endure because it is based on a sound legal and business foundation and is widely seen to be equitable.

With the above in mind, I would like to expand on the fairness arguments I have made today and previously by addressing what I understand to be some of the legal and business issues inherent in the current BCS system. I offer these points not from the standpoint of an attorney but from the standpoint of a university president, professor of management, and longtime corporate director who, along with 50-plus presidents of other non-BCS schools, has educated myself on these issues.

The BCS is unjustifiably restrictive.

It is my understanding that the Supreme Court has made it clear that antitrust laws apply to the commercial aspects of college football, and that restrictions on competition in this area are unlawful without adequate justification.

There is no doubt that the BCS is restrictive, and we have heard no justification that adequately supports those restrictions.

• The BCS restricts competition among the bowls. In the past, each bowl decided for itself which teams to invite and they competed with other bowls to persuade teams to accept their invitations. Now, under the BCS agreements, the four bowls affiliated with the BCS have agreed to eliminate competition amongst themselves in the selection of teams. Similarly, they have agreed to sell their television rights as a group rather than individually, with one of the four bowls serving as the host of the national championship game each year. Further, the agreements among the four BCS bowls and the BCS conferences, plus Notre Dame, give the BCS bowls preferential rights to pick BCS teams and render it virtually impossible for a non-BCS bowl to compete for the most desirable games.

• The BCS restricts competition among individual schools and conferences. In the past, each school competed for spots in each bowl and each conference competed for

affiliations with each bowl. Now, the schools and conferences in the BCS have agreed with the four major bowls to allocate spots to themselves, eliminating competition for bowl berths among themselves and excluding all other Division I-A schools and conferences.

To see the unnecessary restrictions in the BCS most clearly, we can set aside for the moment the national championship game and focus on the three other BCS bowls. The BCS will argue that two of the six other major bowl slots are open to non-BCS contenders if they earn them. This response ignores the fundamental point that there is no adequate justification for an agreement to grant <u>any</u> guaranteed berths to the favored conferences in these three non-championship bowls.

And with respect to the spots theoretically open to non-BCS schools, in reality, the self-developed BCS ranking system makes it virtually impossible for a non-BCS school to be selected for any of the eight bowl slots, regardless of record.

A look at the Oct. 20 BCS rankings would confirm this. There were on that date five undefeated Division I-A football teams: Oklahoma, Miami, Virginia Tech, Northern Illinois, and TCU. Virginia Tech has since lost, of course, but on that date, Oklahoma, Miami and Virginia Tech—all BCS schools—were ranked Nos. 1, 2 and 3, respectively. Northern Illinois and TCU, at 7-0 and not in the BCS, were Nos. 10 and 14. Ahead of Northern Illinois University were six BCS schools that had each posted at least one loss for the season.

Should any non-BCS team go undefeated and have a dream season such as Tulane had in 1998, their student-athletes will have the disappointment of knowing that, because they are not BCS schools, they will not be able to compete for a national title or play in a major bowl game. This result stems not only from the unfair preferential access discussed above, but also from the BCS formula, which we believe discriminates against non-BCS schools in a number of ways that would be identified if the formula were analyzed by a neutral expert.

The BCS argues that its restrictions are necessary to create a national championship. In fact, these restrictions are not necessary to achieve that goal.

The BCS argument that its four-bowl system is necessary in order to determine an undisputed national championship in Division I-A football is simply not true.

• In any given year, there is only one bowl with a national championship game. The other three BCS bowls do not have a championship game—indeed, they do not even match up the next six most highly ranked teams under the BCS formula. Rather, the BCS agreement provides guaranteed berths to the champions of the BCS conferences, regardless of win-loss record, and preferential access to Notre Dame.

• Providing these guaranteed bowl berths does not improve the quality or entertainment value of the national championship game. Rather, they simply prevent other Division I-A schools from having a fair and equal opportunity to compete for those bowl berths and prevent non-BCS bowls from competing to host many of the most desirable games.

Nor is it any answer that the schools from the BCS conferences would be likely to receive invitations to these bowls in any event. If so, why do the favored conferences need a guaranteed berth?

The BCS creates a two-class system within Division I-A.

The BCS arrangement divides the schools playing Division I-A football into two classes, locking the BCS conferences and bowls into a favored position at the expense of the other Division I-A conferences, schools and bowls. The antitrust laws, as I understand them, require that the marketplace must make the determination of who does and does not succeed. That decision should not be made by an agreement among a finite group of competitors to the exclusion of the remainder of their peer institutions.

The BCS schools should not be the ones determining the system of postseason play in Division I-A football without the input of the NCAA or the full complement of Division I-A schools. Nor should the BCS be the self-appointed arbiters of Division I-A football, determining who can and cannot participate and who will and will not share in the benefits.

The net result of all these unnecessary restrictions is a system that does not meet any test or definition of fairness or equity. Who suffers from this system? The schools and student-athletes who are on the outside looking in, as well as their fans and the general public.

Where Do We Go From Here?

I cannot claim to know the precise structure that best balances all the interests at stake—although I have some opinions—but I do know that it is not the current BCS system. If Division I-A athletics is to survive, it must have a football system that is fair, inclusive and accessible to all who meet the Division I-A requirements.

A group of my colleagues, presidents of other non-BCS schools, have formed a Five-Conference Presidential Coalition. We are advocating a postseason football system, including a national championship game, that is consistent with six key themes.

First, we want a system that adheres to the principles we stand for in higher education: fairness, inclusiveness and opportunity. The BCS system does not do this.

Second, we want a system that fosters a unified Division I-A and enhances the vitality of all Division I-A programs. The BCS system creates division and damages morale.

Third, we want a system that provides reasonable opportunity for all Division I-A football programs to have access to what are now referred to as the "BCS bowls," including the national championship. That reasonable access is currently not available outside the BCS.

Fourth, we want a system that is inclusive, enduring, meets the highest standards of legal soundness and is reasonably consistent with how national championships are conducted in all other NCAA-sponsored sports. A system that requires the involvement of legal or legislative inquiry to determine its legality is not the kind of system our higher education institutions should have.

Fifth, we want a system that enhances the value and interest of postseason play for our fans, the bowls and the networks. More meaningful bowl games at the end of a season would create greater interest among the fans of all of the schools involved.

Finally, we want a system that allows our student-athletes to realize their dreams if they have worked hard enough to achieve them. Artificial obstacles should not be placed in their way as currently exists in the BCS system.

The Presidential Coalition firmly believes there are structured solutions to the issue of postseason play, including the national championship, which are consistent with these themes.

We are cautiously optimistic that our colleagues in the BCS are open to significant change, and we will remain in discussions with them as long as it appears that constructive and significant progress is being made. However, if our differences cannot be resolved in a timely manner, we will resort to any and all legislative and legal means available to us to resolve an issue that seriously threatens the future of our athletics programs. Whether by negotiated settlement, litigation or legislation, the non-BCS schools are committed to changing the system in a way that works for student-athletes at all Division I-A schools. Anything less shortchanges our commitment to these student-athletes.

In the meantime, I want to again thank the Committee for its interest and for its willingness to get involved in this important issue.

Written Testimony of Coach LaVell Edwards
Brigham Young University
Before the United States Senate
Committee on the Judiciary

Chairman Hatch, Ranking Member Leahy and distinguished members of the committee, my name is LaVell Edwards, and I am honored to be here this morning.

What I want to talk about today are dreams and opportunities.

All of us dream about the great accomplishments we want to achieve in our lives. I've spent my life with young athletes, and I can tell you that dreams are the fuel that drives them to excel.

Now, there are dreams, and there are fantasies. A dream can come true, and a fantasy can't. The difference is opportunity.

The problem with the Bowl Championship Series is that it prevents student-athletes at 54 universities from achieving the dream of ending the season ranked number 1. Being a national champion is only a fantasy for these players.

That's because the BCS is stacked in favor of the teams from their six-conference alliance, who alone can play in the national championship game at a pre-determined bowl game site.

Mr. Chairman, the BCS system not only disadvantages some players' ability to compete, but also negatively impacts all bowl games. In addition, it creates a two-tiered recruiting system as well as an unfair imbalance between universities in terms of revenue derived from football.

The national champion selection has been altered greatly since the mid-80s. As Senator Hatch may have mentioned, I coached at BYU for 29 seasons, and in 1984 we won the national championship beating Michigan in the Holiday Bowl. Under today's

BCS scheme, that 1984 BYU team couldn't have played in a title game. The system wouldn't have allowed it.

Over the course of my career, BYU appeared in 22 bowl games, finished 13 times among the top 25 and produced a number of All-American quarterbacks. I've had the pleasure of coaching some exceptional student-athletes through many exciting seasons.

Mr. Chairman, I'd like to take you back to one of those – the conclusion of the 1996 regular season – the first year under what was then dubbed the Bowl Alliance, now the BCS.

We were 13 and 1, on an 11-game winning streak, and ranked 5th in the nation, heading into the bowl season that year. I was invited, along with the coaches of the other top-ranked teams to New York for ABC's announcement of which teams would play in the Rose, Fiesta, Orange and Sugar Bowls.

Sitting in the green room with the other coaches, I knew I wouldn't be on the set when the BCS match ups were announced. We were 5th in the nation and I had known for weeks that even if we continued winning on Saturdays, the green room was as close as we would get.

It didn't bother me. I was focused on getting my team ready to play, in what we hoped, would be the Cotton Bowl. But I suspect it bothered the kids.

The Cotton Bowl was our first New Year's Day Bowl Game, and our team and university were excited to play on college football's most prestigious day. We went down to Dallas and beat Kansas State 19-15.

Now, you'd think that with four Alliance bowl games, and eight teams playing in them, the number 5 team in the nation would be one of those eight. But we weren't.

Then again, the BCS isn't set up to take care of teams outside their six conferences. With six automatic qualifies –seven if Notre Dame finishes in the top 10 – there isn't room for anyone else.

Mr. Chairman, the set-up that has created a two-tiered system in college football, which benefits teams from six conferences at the expense of the remaining 54 Division I could ruin college football entirely if allowed to continue.

College football is expensive to operate and it's expensive to play in bowl games. It's expensive to travel. And it's expensive to bring the band. Don't get me wrong, it's a worthwhile experience for the entire university community, especially in terms of prestige, and recruiting.

But it does cost. And having each season conclude with an imbalanced bowl-game selection process between Division I-A football teams – both on the field and in terms of the financial disparity associated with the Bowl games – is not healthy for the teams and the schools.

Mr. Chairman, my fear is that if the BCS system continues, the gap between elite college football programs and the rest of Division I-A football will continue to widen and many universities will be forced to drop their programs altogether.

I've talked today about the national championship game, but another consequence of the BCS set up is the negative ripple effect it causes on the rest of the bowl games. After locking up the top four games, teams from non-BCS schools are shut out from the next level of bowl games. The organizers of those bowl games extend invitations to the

second place teams from the six-conference alliance, bumping Conference USA and WAC teams, for example, to less prestigious games hosted in cities that frankly, aren't as great destination cities, as Miami and New Orleans. This makes it more difficult to encourage the alumni base to travel, making it less financially rewarding.

Mr. Chairman, teams from the six conferences use this stacked-deck to their advantage – namely in recruiting – which some will argue is the most important component of winning teams. At BYU, a traditional recruiting hurdle was encountering PAC-10 coaches who would tell kids if they attended BYU they would never play in the Rose Bowl.

While that was difficult enough to contend with, after the formation of the 1996 Bowl Alliance, the recruiting hurdle was set higher. With the BCS in place, PAC-10 coaches could, and would, tell kids not only couldn't they play in the Rose Bowl, but they wouldn't play in a national championship game, if they went to school in Provo. And they were right.

Mr. Chairman, over the last 20 years, college football teams have 20 fewer scholarships to offer annually. Reducing scholarships has spread the talent pool beyond the traditional football powerhouses, such as Oklahoma, Penn State, and Michigan. With all schools having fewer football scholarships to offer teams such as Colorado State, Northern Illinois, and Louisville are getting higher quality players. This has caused more parity in college football today.

Many in the university community agree limiting scholarships has been good for the game. Why then, would the NCAA sanction a post-season system that congregates

more power and revenue between fewer teams, while also limiting athletes' opportunity? It's inconsistent and counter-intuitive.

The BCS system is not good for the game. And it's not good for higher education. Surely the NCAA and Division I-A football can join the other 23 intercollegiate sports and devise a system that determines a true champion, preserves the integrity of the game and levels the playing field.

Mr. Chairman, members of the committee, right now, teachers, counselors, and parents across the country are telling young men or women that if they work hard, commit themselves, and never lose sight of goals and dreams, they too can become a United States Senator.

Every person in our country has the opportunity to turn dreams into reality. It's the reason each of you is here today. The reason I'm here is that because of this flawed system, talented young athletes are denied an opportunity to make their dreams come true. And I believe it's wrong.

Mr. Chairman, thank you and the other committee members for your time.

News Release

JUDICIARY COMMITTEE

United States Senate • Senator Orrin Hatch, Chairman

October 29, 2003 Contact: Margarita Tapia, 202/224-5225

Statement of Chairman Orrin G. Hatch
Before the United States Senate Committee on the Judiciary
Hearing on

"BCS OR BUST: COMPETITIVE AND ECONOMIC EFFECTS OF THE BOWL CHAMPIONSHIP SERIES ON AND OFF THE FIELD"

Welcome to today's Judiciary Committee hearing on the competitive and economic effects of the Bowl Championship Series.

Many of you may not be aware that when I was in high school, I had a promising future in football. But things didn't work out. BYU already had a half-back, and I couldn't seem to go to my left. Well, some things never change. I still don't go to the left.

But on a serious note, I am pleased that the Judiciary Committee is examining the competitive effects of the BCS because the notion of basic fairness is called into question by the current BCS system. I believe there is value to ensuring fairness in our society whenever we can. And while life may not be fair, the moment that we stop caring that it isn't, we chip away at the American dream.

Let me just say that many sports fans in Utah and all across the nation have strong feelings about the BCS. Almost without exception, these fans make the same two points: First, the current system is unfair. Second, they care deeply that it isn't. And I think it is worth a couple hours of this Committee's time to consider the matter.

In my opinion, the current manner in which teams are chosen to play in the four major bowl games – and the way in which a national champion is determined – are fundamentally unfair to non-BCS teams. The first problem is one of access. There are only four BCS bowls, limiting participation to eight teams. Six of the available slots are guaranteed to the champions of the BCS conferences, leaving only two slots for all the remaining 111 teams in both the BCS and non-BCS conferences. And these two slots are filled using a ranking system that many claim is biased against non-BCS teams. Under these circumstances, it is hardly surprising that ***not a single*** non-BCS football team has played in a BCS bowl since its inception in 1997.

The second problem is that non-BCS teams are placed at a financial and competitive disadvantage because the BCS conferences retain most of the tens of millions of dollars of bowl revenue. The financial disparities that result from the current system translate into a competitive disadvantage for non-BCS teams. Combined, the revenues of the four major bowls in the upcoming year are projected to be $89.9 million. According to the revenue distribution

information on the BCS web page, the BCS will "contribute $6 million to other Division I-A and I-AA conferences to be used in support of the overall health of college football."

Under this system, the minimum payout for the BCS conferences will be $13.9 million. And if – as will probably be the case – no non-BCS team plays in a major bowl, approximately $17 million will be paid to each BCS conference that has one member team invited to a BCS bowl and $21.5 million to the BCS conferences lucky enough to have two member teams invited. This is compared to the $1 million that most of the non-BCS conferences will receive. Where BCS conferences stand to receive more than twenty times what the non-BCS conferences get, the resulting competitive disadvantages are unmistakable.

A third concern is that the combination of extremely limited access and enormous financial disparities may severely disadvantage non-BCS teams in the area of recruiting. As I believe Coach LaVell Edwards will emphasize in a few minutes, one of the biggest recruiting hurdles for non-BCS teams is that coaches from the BCS conferences are able to tell potential recruits that, if they attended a non-BCS school, they will never play in a national championship game (or, probably, even in a major bowl). The financial disparities that I have mentioned also affect recruiting for obvious reasons.

According to the title, today's hearing will examine the effects of the BCS both *on* and *off* the field. I have outlined my principal concerns about how non-BCS teams may be disadvantaged on the field. But what about off the football field? I would like to briefly highlight three issues of particular concern. First, because football revenues are often used to fund other college sports, I am concerned about the impact that the financial disparities caused by the BCS may have on these other sports. Second, I am concerned that the financial disparities resulting from the BCS may make it more difficult for non-BCS schools to provide fair and equal opportunities for female athletes as required by Title IX. Third, and perhaps most importantly, I – and many others – are concerned that all this college football money is turning college sports into nothing more than a minor league for pro football rather than a legitimate educational activity for student athletes. Unfortunately, Chancellor Gordon Gee of Vanderbilt University could not be here with us today. Vanderbilt recently took steps to de-emphasize its athletic program, and I would have enjoyed having his perspective on all this.

Of course, just because something is unfair doesn't make it unlawful. However, the principle of fairness – and in particular fair competition – is to a certain extent reflected in our antitrust laws. For example, it is generally unlawful for two competitors in any particular market to agree to exclude a third. Some would argue that that is effectively what the BCS does. But, while the antitrust implications of the BCS will be part of what we discuss here today, I think it is unclear how a court would rule on an antitrust challenge to the BCS.

I, for one, hope that we don't find out. It is my sincere hope that the BCS system will be improved through negotiation rather than litigation. I note that representatives of BCS and non-BCS schools met in September and will meet again on November 16th to discuss how the current system might be changed to be more inclusive. In closing, I urge the participants in these meetings to work toward a mutually acceptable solution that will answer the criticisms of the BCS that we discuss today. If nothing else, I would admonish the participants simply to do what is fair.

I look forward to hearing testimony from our witnesses.

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STATEMENT OF HARVEY S. PERLMAN
BEFORE THE SENATE JUDICIARY COMMITTEE

October 29, 2003

Mr. Chairman and Honorable Members of the Committee, I am Harvey Perlman, Chancellor of the University of Nebraska-Lincoln. I have held that position since April 2001 and served as Interim Chancellor of the University for several months before that. I received both my undergraduate and law degrees from the University of Nebraska-Lincoln. I have served on the faculties of both the University of Nebraska and University of Virginia Law Schools and was dean of the University of Nebraska College of Law from 1983-1998. As a member of the group of University Presidents who oversee the Bowl Championship Series ("BCS") arrangement, I appreciate the opportunity to appear here today to discuss this matter with you.

In its short history, the BCS has provided college football fans with an annual national championship game and enhanced the excitement of the other bowls and the regular season. The BCS has created these benefits while preserving the great traditions of the college football bowl system and maximizing the number of post-season games for both student-athletes and fans. It offers greater opportunities for all teams to play in major bowl games than has ever existed in the history of the game. In short, given the development of college football over a century and the realities facing our student-athletes, our fans, and the traditional bowl games, the BCS is the fairest and most sensible way to determine a Division I-A national champion.

Those who seek to impose a radical restructuring of the college football landscape have raised three broad points in opposition to the BCS. First, they claim that a Division I-A playoff would be a better and more equitable way to decide a national champion. Second, they claim that the BCS creates a class of "haves" and a class of "have-nots" in college football and contributes to the financial difficulty in which some athletic departments find themselves. Third, they claim that the BCS is "unfair" because it denies certain institutions "access" to certain bowl games. I will address each of these points in turn, but none of these claims has merit.

THE BCS IS SUPERIOR TO A MULTI-GAME, NFL-STYLE PLAYOFF

A Division I-A playoff is almost always portrayed as a panacea for college football and its fans. It is nothing of the sort, whether from the perspective of the institutions that would most likely play in the games, student-athletes, the bowl games that have supported and helped nurture college football for more than a century, and the fans of the game.

Impact on the Academic Missions of Universities. The vast majority of university presidents whose institutions play Division I-A college football have consistently opposed the creation of a multi-game, NFL-style playoff because of the impact such a playoff would have on the academic missions of their universities. Those of us charged with administering our nation's universities are caretakers not simply of football programs but of the broader academic missions of our institutions. In my own case, I am responsible not only to the Board of Regents who oversees the University of Nebraska but also to the people of the State of Nebraska, who support our university through their tax dollars.

One of my responsibilities is to fit the athletic department, including the football program, within the academic program of the university as a whole. We at Nebraska are very proud of our rich football tradition. We have won 5 national championships since 1970, including 3 in the last 10 years. We have won at least a share of 17 Big Eight or Big 12 championships and finished in the top 10 of the final Associated Press poll 24 times in that same period. Since 1970, we have produced 63 first-team All-Americans, 8 Outland Trophy winners, 4 Lombardi Award winners, 3 Heisman Trophy winners, and one Congressman, Tom Osborne, who so ably represents our state in the House of Representatives. Our team won at least nine games every year between 1970 and 2001, and we have appeared in a bowl game for 34 consecutive seasons. Yet despite all of those accomplishments, what happens on the football field is not as important as what takes place in our lecture halls and laboratories. We do not exist to field a football team. We strive to instill in all our students, including our student-athletes, a love of learning that will last a lifetime. We have been successful there as well. Our athletic program has produced more Academic All-Americans generally and in football than any other university. Of the 24 student-athletes in football who completed their eligibility last year, 23 of them left the University with a diploma. Our mission at Nebraska, as it is at every institution, is to educate young men and women, to help them develop their minds and their critical thinking skills, and to prepare them for the world beyond the university. While intercollegiate athletics plays a role in the development of students, it is but a small part of our overall educational aims.

A Division I-A playoff would intrude on our core academic function. To avoid dragging the football season into the second semester of the school year, playoff games would have to be played in December when we at Nebraska and a number of other universities conduct final examinations for the first semester of the school year. Thus, playoff advocates are suggesting that we hold what would undoubtedly be the most significant and highest profile intercollegiate athletic event of the school year – and for most of our players, the most important games of their athletic careers – at precisely the time when we are engaging in the most important academic exercise facing all of our students. I have no doubt that a Division I-A playoff would attract enormous media attention. Our student-athletes would face enormous external pressure to perform at their highest level at precisely the time when we expect them to be devoting their full attention to their academic pursuits. In addition, other students would want to attend or participate in the playoff games. Even the potential disruption of final examinations in order to accommodate a Division I-A playoff is, in my view, putting the athletic cart before the academic horse. Most of my counterparts at other universities have reached precisely the same judgment, and frankly, while I respect those who disagree, those of us most closely associated with the issue and responsible for balancing these interests have concluded that a playoff is not in the interests of our athletes.

Impact on Student-Athletes. A multi-game, NFL-style Division I-A playoff would also, in my view, have a substantial detrimental impact on student-athletes. Today, those student-athletes who play college football at the highest levels are bigger, stronger, and faster than those of any previous generation. Football is an extremely physical game. There is a limit to the number of games we can reasonably ask 18, 19, and 20 year-old young men to play. Those student-athletes who play Division I-A college football already make an enormous time commitment to the sport. Practice begins in the August sun and will continue until early December for some teams. For those playing in bowl games, it will resume after an examination

break and continue until completion of the bowl game. It then recommences in the spring with spring drills.

The most successful teams may play as many as 15 games in a season. Because of the physical nature of the game, football can exact a toll on young men who are still developing, and I, along with a number of my colleagues, recognize there is a physical limit to the number of games that student-athletes can reasonably be asked to play. Indeed, in recognition of this fact, the NCAA has long limited the number of games any Division I-A institution may play in a particular season. A multi-game playoff could require teams advancing to the championship to play as many as 18 games in a season, a number that exceeds the length of an NFL regular season.

Our athletes are not professionals; they are students. Even at Nebraska, where we have had great success over the years, only a relative handful of the young men who play football will ever be considered sufficiently talented to play professional football. An even smaller number will actually sign a professional contract, and even fewer will ever actually make a professional roster. Our job is to provide student-athletes with the best educational opportunities that we can and to put athletics with an overall framework consistent with the welfare of all of our students. The additional demands of a multi-game, NFL-style, Division I-A playoff are, in my view, simply too great a burden to impose on these young men. The bowl system provides rewarding post-season experiences for far more student-athletes than will ever play in a playoff. We should continue to nurture that system and to permit our student-athletes to enjoy the many benefits of the bowl experience without requiring them to play what is, in effect, the equivalent of an NFL season

Impact on Bowl Games and Fans. A multi-game, Division I-A playoff would also substantially harm the existing bowl games and their communities that have been such great supporters of college football over the years and impose unacceptable burdens on the many fans of the game. The bowl games simply cannot be ignored in any consideration of a playoff. Each game is run by a bowl committee that is itself an independent economic entity. Bowl committees do far more than sponsor football games. Each year, the bowls sponsor major events that showcase local communities and celebrate college football. Bowl committees underwrite youth sports programs, educational initiatives, and a host of charitable activities. They have returned millions of dollars over the years to scholarship programs and other activities that directly benefit student-athletes. Many of these bowl committees function because hundreds of volunteers donate time and talent to make these many benefits possible. These superb programs are funded by ticket sales and other revenues generated by ancillary events related to the bowl games themselves. In addition, bowl games work closely with community business leaders to generate enormous economic impact in the host areas. Bowl games lure college football fans to hotels, restaurants, and many other local attractions. A playoff would threaten all of these benefits.

Bowl games also provide unique experiences for a number of student-athletes. Today, there are 28 bowl games that provide post-season opportunities for approximately 5600 student-athletes. For many of these young men, participation in a bowl game is a highlight of their athletic careers. The bowl experience is not limited to three hours on a playing field in a different stadium but encompasses much more. Bowl committees generally treat student-athletes

to several days of events and activities designed to give them a flavor of the local community. These events permit student-athletes to enjoy attractions near the host city and often give them the opportunity to participate in charitable activities sponsored by the bowl committee. A playoff would reduce the number of student-athletes participating in the post-season to no more than 1600 and deprive them of the rewards that come with earning a trip to a bowl game.

Playoff proponents often claim that the way to preserve the bowl games is to incorporate them into the playoff structure. The suggestion fails to take account of the realities of college football. Even the National Football League, whose playoff structure is held out as the paradigm for a college football tournament, plays all of its post-season games, except the Super Bowl, at the home stadium of one of the participating teams. An eight or sixteen-team playoff would inevitably require seeding of teams and playing playoff games at on-campus sites. Any other structure would place enormous burdens on the many fans of the game. We cannot expect college football fans to be criss-crossing the country each weekend in December to watch their teams play at distant bowl locations. For example, we cannot expect fans of the University of Washington to go to the Cotton Bowl in Dallas for a first-round game one week, then to the Citrus Bowl in Orlando for a second-round game the following week, followed by a semi-final game in the Orange Bowl in Miami the following week, and a championship game in the Rose Bowl in Pasadena the following week. Requiring fans to rearrange their December schedules and expend the sums necessary for air travel, hotels, meals, and other expenses attendant in such a whirlwind schedule is simply unreasonable.

From the perspective of the bowl games, a multi-game playoff makes no more sense. Today, there are 28 bowl games. Even in a 16-team playoff, only 15 of the bowls at most could possibly host playoff games. The remaining 13 would be left to fend for whatever fan attention and television and sponsorship revenues would be left over after the playoff claimed its share. What happens to those bowl games and the communities benefiting from them? Playoff proponents have no answer because there is none. The most likely result is that these bowls would disappear, depriving large numbers of student-athletes of the opportunity to play in a post-season bowl game.

As a matter of economics, even those bowls hosting playoff games would be asked to sell tickets for games whose participants cannot be determined until a week before the game is to be played. Bowl games depend economically on fans from the teams to buy tickets to the game. The matchup may have little appeal to fans locally, and unlike today, the host bowl will not have an expectation that fans of the participating institutions will purchase a substantial number of tickets. Perhaps more importantly, however, the character of the bowl games as events will be lost. Coaches could be expected to treat a "bowl" game as any other important contest, particularly if it were part of a playoff. Instead of spending several days at the bowl site, teams would simply fly in, play the game, and return home. The festivities and events that student-athletes enjoy today would be sacrificed, and the community activities, such as parades, galas, and golf tournaments, as well as the charitable activities of the bowls, would be compromised. We cannot expect that the Rose Bowl, for example, can move its many activities, such as the annual Tournament of Roses parade, to various different weekends in December depending on what playoff round it was hosting in any particular year. Other bowl games would face similar difficulties with their signature events as well. The bowls depend on predictability both in terms of scheduling and participating teams. A playoff system is ill-suited to bowl

games, and inevitably would substantially weaken, if not destroy, some venerable traditional events that are not only a part of college football but also are woven into the fabric of American culture.

Impact on the Regular Season. Finally, a playoff would have a detrimental impact on the college football regular season. College football is a tradition-bound game. Its great rivalries derive their significance from the importance of the regular season. Today, college football determines its national champion largely on the basis of play during the regular season. One of the attributes that give the game great national appeal is that teams essentially play games of championship importance every Saturday in the fall. That is why college football fans, at least among the Big 12 and other major football-playing conferences, have for years packed mammoth arenas, many in small towns, every weekend. Insert a playoff and much of the drama of regular season rivalries is gone. When undefeated Oklahoma plays undefeated Nebraska, fans around the country watch with great anticipation because the outcome of that game may have a substantial impact on their favorite team's chances for a national championship. Create a playoff, and the game does not have the same significance. Both teams are likely to be in the playoffs, and the teams may meet each other again in a game that has been invested with greater importance simply because it occurs later on the calendar. The regular season becomes more about seeding and position than about deciding the national championship. The championship will be decided later in other games, which we have arbitrarily invested with greater significance. Indeed, for all its excitement, that criticism has been leveled at the NCAA basketball tournament. While fans undoubtedly enjoy "March Madness," critics have correctly noted that the emphasis on a handful of games in March makes regular season basketball and conference championship races much less significant. As with most other university presidents, I do not believe that the great traditions of regular-season college football should be diminished or sacrificed in order to create a playoff structure that will invest a handful of games with great significance at the expense of many other games.

In short, a multi-game, NFL-style playoff solves nothing for college football. It will interfere with the academic missions of Division I-A universities, impose greater burdens on those student-athletes who participate in post-season games, reduce the number of student-athletes who enjoy the post-season experience, substantially harm the traditional bowl games and the communities that host them, have a detrimental impact on college football fans, and diminish the importance of the regular season. This is why the BCS arrangement is a sensible and limited response. It provides the opportunity for a national championship game without producing all of the negative consequences listed above.

DISTRIBUTION OF BCS REVENUES HAS LITTLE IMPACT ON COLLEGE ATHLETICS

Critics of the BCS often claim that the arrangement creates a group of "haves" and "have-nots" in college football because the revenue is not shared equitably. This criticism, too, may be laid to rest because it lacks any factual basis. On its face, the claim that the distribution of revenues derived from four football games out of the literally hundreds and hundreds of games played each season creates classes of "haves" and "have-nots" is simply

preposterous. While the BCS generates significant revenues in the aggregate, after the expenses of the participating teams are covered and money is distributed among members of the participating conferences, the total distribution per institution is relatively small. Last year, the University of Nebraska and other institutions in the Big 12 each received about $1.2 million from the BCS arrangement. Our total athletic budget at Nebraska is over $50 million dollars. In other words, revenues attributable to the BCS arrangement contribute less than 2% of our athletic budget. By contrast, we generate $2.5 million to $3 million for every home football game we play. At Nebraska, we generally play a minimum of 7 home football games a season. Those games will generate anywhere from 17.5 to 21 times more revenue than we receive from the BCS arrangement.

The fact is that the differential in athletic budgets among Division I-A schools has nothing to do with the BCS, but rather with the differential commitments of fans and donors and the investments schools decide to make in their athletic programs. Football drives athletic revenues and football revenues are largely dictated by the size of the home stadium and the willingness of fans to pay to sit in it. The potential revenue from the BCS has a very small part in the overall revenues of any athletic program.

Today, there are 117 institutions competing in Division I-A college football. Even if every dollar netted from the BCS arrangement were shared pro-rata among all of those institutions, the total payment per university would be well under $1 million and probably closer to $750,000 for each institution. The amount of money generated by the BCS arrangement is simply too small to lift any athletic program out of financial difficulty or to cause any stratification of college football teams into classes of "haves" and "have-nots."

THE BCS PROVIDES THE BROADEST BOWL ACCESS FOR ALL DIVISION I-A TEAMS AND IS THE FAIREST METHOD FOR DETERMINING A NATIONAL CHAMPION

Critics of the BCS also claim that the arrangement is "unfair" because it denies "access" to certain institutions and does not permit them to play for a national championship. It is also claimed that student-athletes at certain school are deprived of their "right" to have the opportunity to play for the national championship. Let's be absolutely clear on this point. The BCS denies no university or any student-athlete access to any bowl game or the opportunity to compete for a national championship. Any team can play in any BCS bowl or any other college bowl game. There are 28 bowl games this year that will host 56 teams. Those who claim that participation in particular bowl games determines the success of a university football program have cause and effect backward. Bowl game participation does not ***determine*** the success of a university football program; it ***reflects*** that success.

Sustained success in athletics, as with any other endeavor within a university, is the product of traditions, contexts, and choices made by those charged with governance of the institution. Looking at college football in isolation is like looking at one tile in a mosaic. The tile alone gives no indication of the much larger picture. Each university has a pool of natural and financial resources – some greater than others. One of the great benefits of American higher education – and, indeed, one of the reasons that it is the envy of the world – is that institutions are free to allocate resources in a way that they believe will appeal to the broadest spectrum of

scholars and prospective students. These choices have created diverse and rich educational and research opportunities that characterize the college and university system in this nation. No institution is compelled to choose the path chosen by any other. Some institutions are known for excellence in particular areas, which often result from natural advantages. For example, a student interested in oceanography is more likely to choose a university located on a coast than to choose the University of Nebraska. We are located in the heartland, thousands of miles from any ocean. We simply are not in a position to offer scholars or students the type of research opportunities in oceanography that a university situated in a coastal community can offer in that discipline. On the other hand, a student interested in cutting-edge research in agricultural sciences will find Nebraska to be very attractive. Given our location, the economy of our state, and the commitment of the University to agricultural research, we can offer students and scholars a number of educational and research opportunities in agricultural sciences that institutions in urban areas are not particularly suited to offer.

The same is true in athletics. At Nebraska, we have some natural advantages in our football program. We are the flagship state university in a sparsely populated area. We have loyal and dedicated alumni with a great love of and passion for college football.. In addition, the closest professional teams are located in cities hundreds of miles beyond our borders. Our fans have invested in our football program over the years and have allowed us to achieve great success. Students who are interested in playing top-flight college football might well consider attending Nebraska. By the same token, students interested in golf are not likely to find us as attractive. We do not have a climate that is conducive to participating in golf on a year-round basis. Nor do we have the facilities that will help students interested in competing at the highest levels of the sport to develop their games in the same way that universities located in warmer climates and with better facilities do. Every once in a while we attract some hard working student-athletes who make us competitive in golf, but one would not expect this on a sustained basis.

Athletics is just one area out of many in which universities may choose to compete with each other and make strategic choices to do so. Nothing prevents ***any university*** from improving its football program, just as nothing prevents an institution from improving its engineering or chemistry programs. As with all choices, some will succeed more than others. If good faculty and good students cannot be attracted, a university cannot build an academic program, regardless of its investments. If the fans in a particular area do not support an athletic program, then that program cannot succeed at the highest levels. Universities have a number of funding sources – endowments, alumni contributions, student tuition, research grants, and, for public institutions such as Nebraska, state taxpayers. Nothing is stopping Harvard, for example, from using some of the massive return on its $17 billion endowment to build better athletic facilities to attract better student-athletes and compete on the highest level of the collegiate playing field except for one thing – Harvard's decision not to compete on that level and to focus its resources elsewhere. The same is true for every other institution fielding a football team.

Every university administration faces similar choices every single day. I spend a great deal of my time promoting the University of Nebraska and our excellent academic programs. For years, I was privileged to serve as the dean of the University of Nebraska College of Law. Much as I would have liked for our law school graduates to have the same "access" to jobs in Wall Street law firms as those of Harvard, Yale, or any other elite law school, that simply

has not been the case. I am persuaded that the best students at the University of Nebraska College of Law can compete successfully with Harvard or Yale graduates. But Harvard and Yale and other elite law schools have consistently produced scores of fine young lawyers and other professionals over the years. Attending one of those institutions carries with it certain opportunities that other institutions may struggle to match in certain fields. It may be that a student-athlete who chooses to attend a Tulane or a Northern Illinois has less of a chance to play for a national championship in football. But that is the student's choice. Similarly a student who enrolls in any institution of higher education, accepts the strengths and weaknesses of the institution and the opportunity sets that flow from them. This is not "unfair". It is, indeed, a strength of American higher education that all institutions are not alike and that they offer, in total, a wide variety of opportunities to students. If this is "unfair" does it mean that Harvard and Yale should be compelled to share their extraordinary endowments or substantial tuition payments or nationally recognized faculty, or the top of their admissions classes with other universities? The suggestions are nonsensical. As I mentioned, at Nebraska we have excellent programs in the agricultural sciences. Should we be compelled to share research grants in those areas with other institutions that have not made the same investments in their programs? Should those who charge tuition rates in excess of $30,000 per student per year be compelled to share those revenues with those of us who have more modest tuition rates? Again, the mere suggestion reveals that the argument runs directly counter to our traditional support for independent choice and for allowing those who succeed to reap the benefits of their success. At no time has there ever been any suggestion that resources and funding should or even could be equalized across colleges or universities or even among certain departments across institutions of higher learning.

Only in the tiny sliver of university life that is college football have critics come forward suggesting that the existence of "haves" and "have-nots" is somehow "unfair." That criticism has no logical underpinnings. At the University of Nebraska our athletic program is self-supporting. It receives no tax dollars and no student fees. It pays for its buildings, its scholarships, its coaches, and its operating expenses. Indeed for the past several years it has also contributed $1.5 million to academic programs within the University. By generating revenue from our athletic program, we are able to fund academic endeavors and provide opportunities for our students that would otherwise require greater tuition payments or additional support from our state taxpayers. Not surprisingly, no critic of the BCS arrangement has ever explained why students at Nebraska should forego educational opportunities that we can offer or that the taxpayers of Nebraska should be called upon to provide additional dollars of support for our institution in order for us to subsidize the athletic budgets of other universities. But that is what those who advocate that the BCS is "unfair" are suggesting.

The reason that there are so-called "haves" and "have-nots" in college football is no different from the reason that there are "haves" and "have-nots" in any university endeavor; some universities have natural advantages or disadvantages determined by tradition, by location, and by funding sources. Some university leaders over time have chosen to allocate resources to intercollegiate athletics, and some have chosen to allocate less. Some have built large stadiums; some have not. Some enjoy fan and donor support; others do not. As with every decision made by a university community, those decisions carry consequences. Those conferences consisting of universities that have decided to compete at the highest levels of college football have developed reputations over the years for producing superlative teams. Other universities, as well as those who are successful in football, often develop reputations for having first-rate chemistry

departments, economics departments, history departments, or English departments. Those conferences with football success were able to use these reputations to attract bowl games over the years and to develop close relationships with certain bowl games, just as universities with reputations for certain academic strengths are able to secure federal grants, participate in national conferences, and place their faculty in the National Academies. Those relationships did not develop in a vacuum. The bowl games chose to create those relationships because they perceived themselves to be better off with an affiliation with a particular conference than without one. The architects of the BCS took this landscape as they found it and developed an arrangement that recognizes the significance of these conference/bowl relationships while creating a new product – an annual national championship game – that benefits the fans of college football and yet retains the essential character of the game.

There are four bowl games in the BCS arrangement. Even before the formation of the BCS, and the predecessor Bowl Alliance and Bowl Coalition, four of the eight slots in those bowl games were committed to certain conference champions. The Rose Bowl hosted the Big Ten and Pacific 10 champions annually. The Sugar Bowl hosted the Southeastern Conference champion each year, and the Orange Bowl played host to the champion of the Big Eight Conference, which is now the Big 12, each season. All of those arrangements were individually negotiated. The only effect of the BCS and its predecessors is to bring the champions of the Atlantic Coast Conference and the Big East Conference into those four bowls every year. That was done for two reasons. First, the primary goal of the BCS is to create an annual national championship game between the top two teams in college football. Both the ACC and the Big East have consistently fielded teams in the national championship hunt. Since 1980, the ACC has produced 4 national champions, and the Big East has produced 5 national champions and two runners-up. There is no way to guarantee a national championship contest without the participation of the Big East and the ACC. Second, the ACC and Big East, like the other conferences in the BCS arrangement, had existing bowl arrangements for their champions or had been offered lucrative bowl slots for their champions. One could not expect that those conferences would abandon those relationships or reject those offers to make an annual national championship game possible unless they had a guaranteed annual bowl slot for their respective champions. Thus, the six guaranteed slots in the BCS simply reflect long-standing, pre-existing bowl relationships between certain bowls and certain conferences and the sacrifice of other bowl relationships or potential relationships by other conferences. In the absence of these guaranteed slots, there simply would not be an annual guaranteed national championship game.

The four BCS bowls have two open slots that can be filled by any team in Division I-A. In most every year, a BCS bowl with an open slot chooses what team will play in its game from a pool of at-large teams who have performed exceptionally well during that year. Those decisions are made by the BCS bowl games for reasons unique to each of them. Once again, participation in a BCS bowl game is the product of choices – this time the choice of the host bowls. That is exactly how participation was determined prior to the formation of the BCS or any of its predecessors.

There are, however, two mechanisms by which an independent team or a team in one of the five conferences that do not have annual guaranteed slots for their champions may automatically gain one of the two at-large slots. The first is to finish the season ranked #1 or #2 in the BCS Standings. In that situation, the team will play in the national championship game.

The second is to finish ranked #3 through #6 in the BCS Standings. In that case, the team will play in one of the other BCS bowls as an at-large team. Today, there are five Division I-A conferences whose champions do not have an automatic annual berth in a BCS bowl. With the exception of a short period of time in the early 1970s when the Western Athletic Conference had an affiliation agreement with the Fiesta Bowl, at no time prior to the formation of the BCS did ***any*** of those conferences have guaranteed access to a BCS bowl game. Indeed, before the BCS, none of these institutions has ever had ***guaranteed*** access of any sort to the Rose, Sugar, or Orange Bowls. Thus, it is simply false to say that the BCS "excludes" any team from any bowl game. It provides a level of ***guaranteed*** access to certain bowl games that has never existed before. In short, there is a greater level of access to the BCS bowls across the entirety of Division I-A than has ever existed.

Much has been made about the fact that Tulane was not picked by a BCS bowl in 1998 despite its undefeated season. The reason for that is simple. Tulane was in the pool of at-large teams and could have been picked by either the Sugar Bowl or the Orange Bowl. Both had open slots in their games, but, for reasons of their own, both chose other teams to play in their games. In both cases, the teams picked by those two bowls to fill at-large slots, Ohio State and Florida, were ranked higher than Tulane not only in the BCS Standings but also in the Associated Press and coaches polls as well. Tulane was not "excluded" from a BCS bowl. It simply was not chosen to play by one of the two bowls. Tulane went on to play in the Liberty Bowl and completed its season with a victory over Brigham Young. Its players are to be congratulated on their success. Yet nothing suggests that they were somehow "unfairly" denied an opportunity to play for a national championship. Those student-athletes played 11 regular season games, just as every other student-athlete competing for a Division I-A college football team. National champions are crowned by polls. For whatever reason, the pollsters determined at the conclusion of the regular season that Tulane was only the 10th best team in the nation and only 7th best at the conclusion of the bowl games. Does that mean that Tulane had no opportunity to compete for the national championship? Again, the suggestion is illogical. Tulane had the same opportunity as every other institution fielding a Division I-A team. The fact that it did not finish in the top spot is not a reflection of a lack opportunity.

Much has also been made about the BCS Standings and their inclusion of a strength-of-schedule component. Again, this criticism is unfounded. Those who criticize this aspect of the BCS Standings are in effect saying that college football should reward those who rack up a series of victories against weak teams over those who play the toughest competition on an annual basis. The BCS Standings encourage each and every team to play the toughest competition possible, thus enhancing and improving regular season college football and providing even more excitement for the fans of the game. Indeed, before its loss over the weekend, this year's Cinderella, Northern Illinois, was ranked higher in the initial BCS Standings than in either of traditional polls. Northern Illinois chose to schedule several historically strong teams at the outset of its season and was successful. Any Division I-A school can choose to play a strong schedule.

CONCLUSION

Simply stated, the BCS arrangement provides fans with an annual national championship game – something that had never existed before – while providing greater bowl

opportunities for every Division I-A institution. It has enhanced college football while preserving the great traditions of the bowl system and providing the maximum number of post-season opportunities for student-athletes. I have no doubt that it will continue to provide great benefits to college football and its fans in the future.

I acknowledge that on first blush it is often attractive for those who have not achieved the same level of success as others to search for causes beyond their own control. Because the BCS arrangement is poorly understood, it may be seen, by some, as the elephant that is the cause of all the things thought to be negative associated with modern day intercollegiate athletics. There are major concerns in college athletics, which I and my colleagues associated with the BCS share. The conferences associated with the BCS have in fact led the effort toward academic reform currently working its way through the NCAA. We are mindful of our responsibilities as university presidents and also mindful that the NCAA is the organized way in which broader reform must be structured. The BCS arrangement, however, is a limited mechanism of providing a national championship game for post-season football. It neither is the cause of changes in, nor has the capacity to alter, the landscape of intercollegiate athletics.

Again, thank you for the opportunity to speak with you today about these matters.

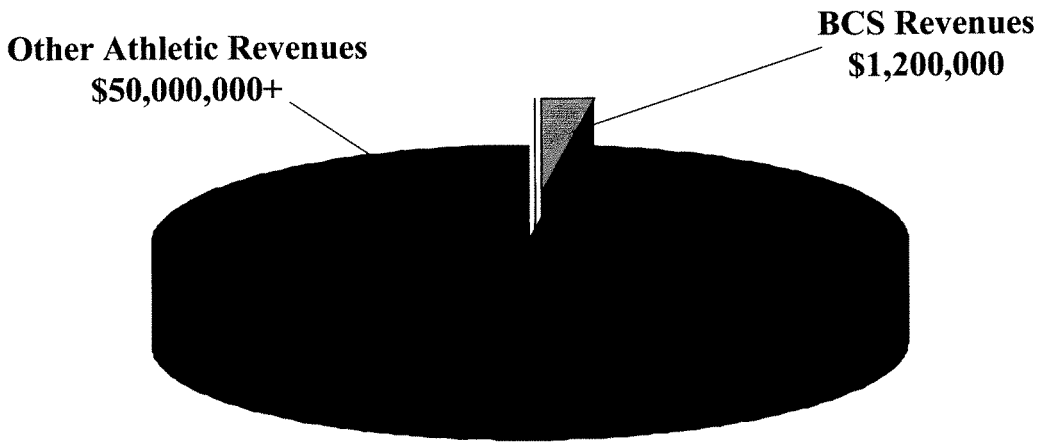
Three Myths Created by Critics of the Bowl Championship Series

- ☑ The "Revenue" Myth
- ☑ The "Access" Myth
- ☑ The "Fairness" Myth

Chancellor Harvey S. Perlman, University of Nebraska Lincoln
Senate Judiciary Committee Hearing, October 29, 2003

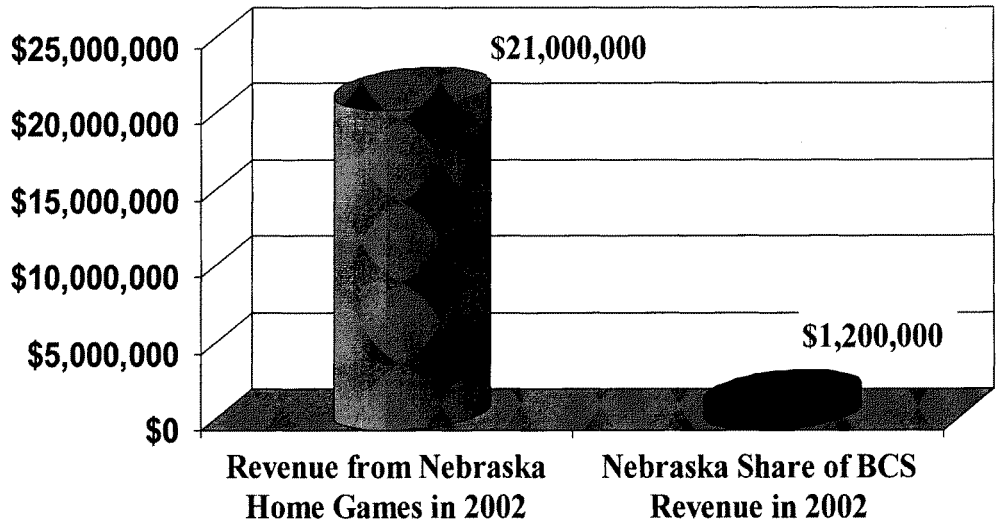
The "Revenue" Myth

BCS revenues are about 2% of the University of Nebraska's total athletic revenues



The "Revenue" Myth

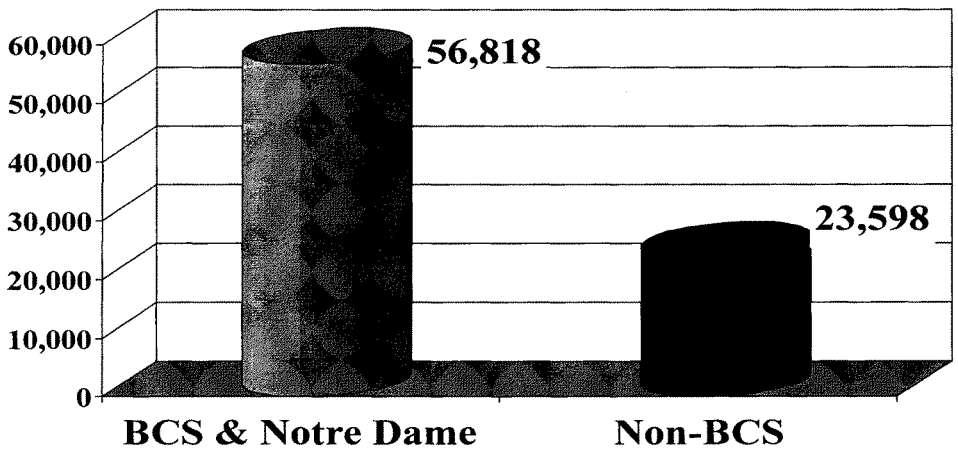
Nebraska home football games in 2002 generated 17.5 times more revenue than the University's BCS receipts



The "Revenue" Myth

BCS vs. Non-BCS Average Home Attendance, 1998-2001

On Average BCS institutions draw 2.4 times more fans to their home football games than non-BCS schools



Source: NCAA

The "Access" Myth

Non-BCS teams have greater access to the Rose Bowl, Orange Bowl, Sugar Bowl and Fiesta Bowl than ever before

Bowl	Guaranteed Access to Non-BCS Conferences Before BCS	Guaranteed Access to Non-BCS Conferences After BCS	Bowl Game option to invite Non-BCS school
ROSE BOWL	NONE	TOP 6	TOP 12
ORANGE BOWL	NONE	TOP 6	TOP 12
SUGAR BOWL	NONE	TOP 6	TOP 12
FIESTA BOWL	NONE AFTER 1976	TOP 6	TOP 12

The "Access" Myth

In 2003 Non-BCS Teams Are Doing Better in the BCS Standings Than the Traditional Polls

Highest Ranked Non-BCS Team/Week	AP Ranking	Coaches' Poll	BCS Standings
Northern Illinois (Week 1)	12	14	10
TCU (Week 2)	15	13	12

The "Access" to Post-season Opportunities Myth

A sixteen team, NFL-style playoff will destroy America's holiday bowl game tradition

Bowl Games During Holiday Season

New Orleans Bowl
GMAC Bowl
Tangerine Bowl
Fort Worth Bowl
Hawaii Bowl
Motor City Bowl
Insight Bowl
Continental Tire Bowl
Alamo Bowl

Houston Bowl
Holiday Bowl
Silicon Valley Football Classic
Music City Bowl
Sun Bowl
Liberty Bowl
Independence Bowl
San Francisco Bowl
Outback Bowl

Gator Bowl
Capital One Bowl
Rose Bowl
Orange Bowl
Cotton Bowl
Peach Bowl
Fiesta Bowl
Humanitarian Bowl
Sugar Bowl

The "Access" BCS Standings Myth

Non-BCS Teams Do About As Well in the BCS Standings As They Do in Traditional Polls

Highest Ranked Non-BCS Team/Year	Selection Sunday AP Ranking	Selection Sunday Coaches' Poll	Selection Sunday BCS Standings
Tulane/1998	10	10	10
Marshall/1999	11	11	12
TCU/2000	13	16	14
BYU/2001	19	17	21
Boise State/2002	18	15	18

The "Access" Myth

The Average BCS Conference Champion Ranks Substantially Higher Than The Average Highest-Ranked Non-BCS Teams on Bowl Selection Sunday

BCS CONFERENCES

AVERAGE CHAMPION
RANKING ON SELECTION SUNDAY
(AP POLL, 1998-2002)

BIG EAST	4.8
BIG 12	4.8
ACC	5.6
SEC	5.8
BIG TEN	7.2
PAC-10	8.2

NON-BCS CONFERENCES

AVERAGE HIGHEST-RANKED TEAM
ON SELECTION SUNDAY
(AP POLL, 1998-2002)

C-USA	15.5
(No team ranked in 2002)	
MOUNTAIN WEST	20.0
(No team ranked in 1999)	
WAC	19
(No team ranked in 1998-2000)	
MAC	20.3
(No team ranked in 1998, 2002)	
SUN BELT	----
(No teams ranked)	

The "Access" Myth

Highly-Ranked BCS Teams Are Not Always Selected for BCS Games

Highest-Ranked Non-BCS Team/Year	AP Poll Ranking on Selection Sunday	Higher-Ranked BCS Teams Not in BCS Bowls/Ranking
Tulane/1998	10	Kansas State 4 Arizona 5
Marshall/1999	11	Kansas State 7 Michigan State 9
TCU/2000	13	Virginia Tech 6 Oregon 8 Nebraska 9 Kansas State 11 Texas 12
BYU/2001	19	10 Teams
Boise State/2002	18	10 Teams

The "Fairness" Myth

Non-BCS schools have money

Top 10 Non-BCS School Endowments

Non-BCS School	Endowment
Harvard	$17.2 billion
Yale	10.5 billion
Princeton	8.3 billion
MIT	5.4 billion
Emory	4.6 billion
Columbia	4.2 billion
Washington U.	3.5 billion
Pennsylvania	3.4 billion
Chicago	3.2 billion
Rice	2.9 billion
Total	**$63.2 billion**

Top 10 BCS School Endowments

BCS School	Endowment
Texas	$8.6 billion
Stanford	7.6 billion
California	4.2 billion
Texas A&M	3.7 billion
Michigan	3.4 billion
Northwestern	3 billion
Duke	2.9 billion
Notre Dame	2.5 billion
USC	2.1 billion
Vanderbilt	2 billion
Total	**$40 billion**

The "Fairness" Myth

Non-BCS schools have highly rated Research Medical Schools

Non-BCS Schools in Top 20

Harvard
Johns Hopkins
Washington U.
Pennsylvania
U. Cal-SanFran.
Columbia
Yale
Cornell
U. Cal.-San Diego
Texas-Southwest
Emory
Mayo

BCS Schools in Top 20

Duke
Stanford
Michigan
Washington
Baylor
UCLA
Vanderbilt
Pittsburgh

The "Fairness" Myth

Non-BCS schools have highly rated Business Schools

Non-BCS Schools in Top 20

Harvard
Pennsylvania
MIT
Columbia
Chicago
Dartmouth
NY University
Yale
Cornell
Carnegie Mellon

BCS Schools in Top 20

Stanford
Northwestern
Duke
Cal
Virginia
Michigan
UCLA
Texas
Ohio State
USC

Final Draft

STATEMENT OF KEITH R. TRIBBLE,
CHIEF EXECUTIVE OFFICER, ORANGE BOWL COMMITTEE
CHAIRMAN, FOOTBALL BOWL ASSOCIATION
BEFORE THE COMMITTEE ON THE JUDICIARY
UNITED STATES SENATE
OCTOBER 29, 2003

Chairman Hatch, Ranking Member Leahy and other distinguished members of the Committee, my name is Keith R. Tribble, and I am the Chief Executive Officer (CEO) of the Orange Bowl Committee, a not-for-profit member organization that produces the annual FedEx Orange Bowl game and its ancillary events. I also serve and appear here today as the Chairman of the Football Bowl Association and its membership of 28 individual Bowls, most of which are non-profit organizations. On behalf of the Orange Bowl Committee and the Football Bowl Association, I would like to thank you for allowing me to appear before you today to discuss the merits as well as preservation of the Division I-A college football Bowl structure.

(Although the Orange Bowl is a participant in the Bowl Championship Series, I am not appearing here today in that BCS capacity.)

Over the last quarter century, I have had the opportunity to participate in collegiate athletics and the Bowl system from three separate and unique perspectives, as a football player at the University of Florida under Coach Doug Dickey, as a collegiate athletics administrator at Florida and the University of Nevada-Las Vegas, and as a Bowl executive with the former Blockbuster Bowl and currently with the Orange Bowl Committee.

I have led the Orange Bowl Committee organization since 1993 after spending two years as the Senior Associate Athletic Director at the University of Nevada, Las Vegas (UNLV). Prior to UNLV, I spent 1990-92 as Executive Director of Sunshine Festival Football, Inc., overseeing the creation and development of the Blockbuster Bowl, which later became the Tangerine Bowl, in Orlando. My first foray into collegiate athletics

came at my alma mater, the University of Florida, where I worked from 1981-89, eventually rising to Associate Athletic Director.

Orange Bowl Committee

The mission of the Orange Bowl Committee (OBC) is to maintain a self-sustaining, independent organization supporting and producing activities and events which enhance the image, economy, and culture of South Florida. To this end, the Orange Bowl Festival involves approximately 100 events annually, in the areas of athletics, entertainment, community programs and charitable fundraisers. In addition, the OBC annually gives back to the community through the Orange Bowl Foundation, the charitable arm of the organization, whose main purpose is to fund youth athletic endeavors and scholarships.

Football Bowl Association

The Football Bowl Association (FBA) was formed in 1983 to provide a forum for Bowl issues, to ensure that the quality of the Bowls is maintained, and to promote the continuing respect for the Bowls within intercollegiate athletics. There are currently 28 individual postseason Bowl games that comprise the FBA.

To successfully stage a community-based bowl festival, Bowl organizations are comprised of two key areas: (1) human resources and (2) financial support.

Human Resources for a Bowl Organization

Three core human resource groups are critical to effective staging of a Bowl game and festival: (1) volunteers, (2) employees and (3) business vendors:

To begin, Bowl volunteerism can be defined in two key areas: (a) committee membership and (b) community volunteers. At the OBC, our membership consists of 304 community and business leaders, including Senators Bob Graham and Bill Nelson and Governor Jeb Bush. The OBC organization is managed under the direction of 23 members of the Board of Directors. The OBC ambassador program is annually

comprised of up to 1,000 community-based volunteers. These individuals represent the diverse composition of the Florida community.

Secondly, employment at Bowl organizations is categorized by two classifications: (a) full-time and (b) non full-time. At the OBC, there are currently 24 full-time employees who are responsible for the day-to-day management of the organization. To support their efforts, the OBC provides opportunities for a minimum of 16 non full-time employees for either work experience and/or college credit, and internships. As the CEO, I am responsible for the organization's overall administration including, but not limited to, executive, business, corporate sales, ticket sales, marketing, communications, ticket operations, event operations and membership services.

The final component to assist the Bowl's committee membership, volunteer base and staff is with the support of business vendors. These arrangements are comprised through two key areas: (a) tourism and (b) operational partnerships. Tourism alliances include, but are not limited to, hotel, restaurant and transportation industries. Operational support is secured through relationships which include, among others, stadium facilities, as well as product and service companies. At the OBC, business partnerships have been secured in the hotel, restaurant and transportation areas, as well as the cruise industry.

Financial Support for a Bowl Organization

To effectively fund a successful Bowl festival and game, financial support comes from four primary sources: (1) ticket sales, (2) corporate sponsorships, (3) broadcast partners and (4) governmental alliances:

To begin, the viability of a Bowl game rests on its ability to generate local ticket sales. Each individual Bowl must develop an effective marketing and promotions campaign that targets the make-up of its individual constituency. It is important to note that the success of each bowl's annual ticket sales has a direct impact on the organizing committee's ability to fund its festival the following year. At the OBC, an effective campaign

targeting our diverse population has been successful in securing approximately 2,800 ticket patron accounts.

In order to underwrite a Bowl and festival, the host Bowl organization must also secure the support of corporate sponsorships, locally, regionally and nationally. For the Orange Bowl Festival, the OBC has successfully secured approximately 150 corporate partners.

Moreover, each Bowl organization must secure national distribution of its property through an effective partnership with national television and radio. (Without such national exposure the viability of the bowls will be threatened.) Through our successful participation in the Bowl Championship Series, the OBC was able to secure a national television and radio partnership for the FedEx Orange Bowl with ABC Sports and ESPN Radio, respectively.

Finally, each Bowl organization must engage the support of local and regional governmental partners. This includes city, county, state and tourism agencies. At the OBC, we have been successful in securing the support of local government as well as local and state tourism agencies.

Merits of the Postseason Collegiate Bowl System

I appear before you today in response to the on-going discussion taking place among selected Division I-A university presidents and football conference commissioners, as well as various collegiate administrators, the sports media, and college football fans regarding the overall merits of our current Bowl system.

Bowl Games Are College Football

This college football season, 26 communities around the nation will host 28 postseason Bowl games; two communities - Orlando and New Orleans - host two postseason games each. Approximately 5,600 student-athletes, 11,000 college band members, 1,100 cheerleaders, 50,000 to 100,000 additional performers and millions of fans and

community members will take part in the tradition and pageantry of the annual "College Bowl Experience."

The top two teams in the Bowl Championship Series rankings will square-off in the National Championship Game, this year in the Nokia Sugar Bowl in New Orleans, Louisiana. The BCS ranking, popularly debated and questioned, includes not only the two most notable poll systems, from the editorial staff of the *Associated Press* and from the Division I-A head coaches who make up the ESPN/*USA Today* edition, but also six computer polls and the objectivity of team records and strength of schedule of each team.

In my quarter-century associated with the sport of college football, the postseason college football Bowl experience is something I personally do not want to see diminished during the prolonged discussions regarding our Bowl system and its ability to bring finality to the college football season. Half of the 56 qualifying teams will come away from these games as Bowl champions and take with them a feeling of reward that will last throughout the following spring practice period and into the approaching season, as well as for the rest of their lives.

Bowls Provide New and Unique Experiences

The rewarding experience that all participating groups enjoy during their Bowl week is perfectly captured in the unique events and visits that are scheduled by the host organization that could not be found in any abbreviated postseason stay. For example, the participating teams at the FedEx Orange Bowl visit the beautiful sandy shores from Ft. Lauderdale to South Beach as well as the unique cultural aspects of South Florida. In Tampa, the Outback Bowl sponsors trips to the Florida Aquarium and Busch Gardens while an hour away the Capitol One Bowl brings teams to the various Disney Parks. Teams get to tour and eat lunch on one of our country's aircraft carriers during their stay at the Pacific Life Holiday Bowl in San Diego. Players participate in the NCAA Yes Football Clinic during their trip to the Tostitos Fiesta Bowl in Tempe. The Alamo Bowl presented by MasterCard takes their teams to the site of the birthplace of the state of Texas at the Alamo in San Antonio. The gates of Alcatraz open once again as the

Diamond Walnut San Francisco Bowl tours its teams through this historic monument of American Justice. When at the Hawaii Bowl, participating players get to visit historic Pearl Harbor in the day and witness a true Hawaiian ritualistic Luau at night. And there is much more.

Financial Contributions to Higher Education

This upcoming Bowl season, 28 college Bowls will distribute more than $185 million to NCAA schools. During the past five years, almost $800 million has been paid out and the Bowls will conservatively payout more than $2.1 billion over the next 10 years. Since almost all Bowl games are produced by non-profit organizations, the more revenue the Bowl brings in through ticket sales, sponsors, etc., the more money can be paid to these institutions of higher education.

The FedEx Orange Bowl paid out a combined $28,666,666 in 2003 to its participating institutions and conferences and is projected to payout to its participants $29,500,000 following the 2004 game. Over the past 10 years, the FedEx Orange Bowl has paid out a just short of $200 million and, through its history, the Orange Bowl has paid out a total of nearly $300 million to its participant institutions.

Increased Fan Attendance

Total attendance at Bowl games increased this past year as a record of more than 1.42 million fans attended 28 Bowl games. The average attendance of the Bowl stadiums was 84.7 percent of capacity. Seventeen Bowls were at least 89 percent filled. Ten Bowls were at least 99 percent filled. Average attendance of Bowls in existence at least five years has also increased the same for Bowls that have been around at least 10 or 25 years. This proves that even the increasing number of Bowl games have met with critical local approval. On average, these games are more popular today than ever. Every New Year's Day Bowl and BCS Bowl was an official sellout in 2002-03. The FedEx Orange Bowl sold out for the third consecutive season in 2003 with 75,971 in attendance. With a projected sellout for the upcoming 2004 game, and the succeeding BCS National

Championship Game in 2005, the FedEx Orange Bowl will have five consecutive sellouts for the first time.

Benefits from Media Exposure

The excitement and visibility created by participating in Bowl games can generate increases in donations, licensing revenues, television contracts, season ticket sales and other long term revenue streams. Schools have even reported increased enrollment applications which they attribute in part to a Bowl appearance. Last year's total television viewership increased from the previous year, the second highest of the past five years. The combined television audience for the 28 Bowls was 117 million households spread out over six networks, including ABC, NBC, CBS, FOX, ESPN and ESPN 2. Ten games saw increases in television viewership and BCS game ratings were up 10.2 percent.

Economic Impact on the Host Community

Bowls are a boost for the local economy, help promote the local tourism industry, and are a point of civic pride with hundreds of active volunteers and/or ambassadors. This past Bowl season, 28 Bowl games generated an estimated $1.1 billion dollars worth of economic impact for their host communities. This does not include the value of media exposure. Twenty-six communities hosting Bowl games provide stability and an unparalleled commitment to provide not only funding but a quality experience to the teams and fans. The FedEx Orange Bowl also involves the entire community which has the opportunity to share in the Bowl's pageantry, tradition and success during the December holiday season, not to mention, throughout the calendar year.

According to Sport Management Research Institute (SMRI), the 2000-2001 Orange Bowl Festival, which included the FedEx Orange Bowl National Championship football game, generated an economic impact of $107.3 million to the South Florida area. An additional $77.5 million in added promotional value was derived from staging the Orange Bowl Festival during a National Championship year. The indirect and induced economic impacts increased by more than three percent, along with more than $7 million generated

by local, state and federal taxes. In addition, the opportunity to showcase the Bowl venue has a continuing impact on the venue's tourism and economy far past any individual game.

Charitable Responsibility

Bowls benefit not only NCAA institutions but local causes and charities. Many Bowls contribute in excess of $100,000 annually to charitable causes and many host camps for disadvantaged youth. A small sample of charities benefiting from Bowl activity include the Boys & Girls Clubs, numerous hospitals, YMCA, local education programs through elementary and high schools, college scholarship programs, the United Way, Make-A-Wish Foundation and the Cystic Fibrosis Foundation.

With proceeds from ticket sales to the 2002 FedEx Orange Bowl, the Orange Bowl Foundation (OBF) was able to honor and provide for victims of September 11. The OBF helped a single father of three kids, who was laid off by a local hotel and was on the verge of being homeless by paying his bills in the month of December. The OBF then partnered with the Salvation Army of Miami-Dade and Broward counties to help non-chronic homeless in South Florida affected by the events of 9/11. As a lasting memorial, the OBF also awarded $30,000 to renovate the Coconut Grove Sailing Center. This center is host of the Shake-A- Leg Program, which works with handicapped children and with which we have a long-standing relationship with our only water-related event; the Sailing Regatta.

The OBF also donates $25,000 annually to the Orange Bowl Thurgood Marshall Scholarship Fund, benefiting high school seniors wanting to attend historically black colleges and universities. Over the last three years, the foundation has donated more than $75,000.

In partnership with the Kiwanis Club of Little Havana, the OBF initiated a Scholarship Endowment Fund. The OBF contributed $25,000 for four straight years to be matched dollar-for-dollar by Kiwanis to create a $200,000 permanent fund that will endow

scholarships in perpetuity. The Orange Bowl/Kiwanis Fund awarded full tuition and books to two students.

Five years ago, the OBC created the Orange Bowl Youth Football League (OBYFL), a regional partnership between independent parks sponsoring youth football and cheerleading. The OBYFL represents 70,000 stakeholders, including 20,000 tacklers, 10,000 cheerleaders and 40,000 coaches, parents and volunteers. Throughout the state, the OBC underwrites the staging of postseason competitions as well as marketing programs including a weekly television show, newsletter, website and promotional activities. For the last three years, the OBF has also issued grants to the participants of the OBYFL. The seven individual leagues have been awarded more than $60,000 over the last three seasons, to be used for expenses incurred during their football seasons leading up to the Orange Bowl-funded "Bowl Before The Bowl" and "Cheer to the FedEx Orange Bowl" championship events.

Conclusion

All 26 Bowl organizations throughout the country work throughout the year within their respective communities to produce an experience memorable to the student-athletes, universities and their supporting fan bases. Through 28 Bowl games and 26 host communities, 56 individual institutions experience the virtues of the current Bowl system. As outlined in this testimony, these benefits include the new and unique experiences that each bowl site has to offer to the student-athlete, the tremendous financial contribution annually to higher education, the opportunity for millions of fans nationwide to attend games and celebrate the pageantry and tradition of what we know as college football, the increased national exposure each institution gains from its postseason appearances, the substantial economic impact to the host community and participants, and the charitable contributions that Bowls provide within their respective communities. On behalf of the Football Bowl Association and the Orange Bowl Committee, I'd like to thank you for allowing me to appear before you today.