



Sports Business

The NFL's MBA

Matthew Kirdahy, 02.29.08, 12:45 PM ET

They say athletes learn something from every defeat.

And three weeks after joining their teammates on the New England Patriots for the lessons of Super Bowl XLII, Kyle Brady and Troy Brown were once again students, but on a totally different field.

As members of the National Football League Players Association, Brady, Brown and 116 other professional football players are participating in collegiate programs intended to coach these athletes on a variety of business topics.

It's a way for the league to help ensure financial stability for these players beyond their primes, when they're accustomed to making a minimum of about \$400,000 a year. Most Americans won't see a salary like that during their working lives, let alone in their 20s.

In conjunction with the players' union, the National Football League started the NFL Business Management and Entrepreneurial Program three years ago in two schools--Harvard Business and Wharton at the University of Pennsylvania. Initially, there were 66 players involved.

The program now hosts 118 players at four schools, adding Kellogg School of Management at Northwestern University and Stanford Graduate School of Business to the list. The sessions run in segments for a combined two weeks, from Feb. 24 to April 9. The four schools offer executive education activities in their respective areas of expertise.

The course offerings include the following for each school: Harvard, entrepreneurial opportunities and business management; Kellogg, developing and selling a brand and evaluating franchise opportunities; Stanford, evaluating business opportunities in the sports industry; Wharton, financial analysis, real-estate development, negotiations.

Chris Henry, director of NFL player development, helped start the program with two main goals: to give the players a better understanding of what they're getting into and offer unbiased resources to help them make smart business decisions.

Players must apply for places, and the enrollment criteria include level of education, professional business experience, interest in starting, owning or managing a business and leadership and community involvement. Under the current NFL Collective Bargaining Agreement, players must be reimbursed for up to \$15,000 for education expenses at an accredited institution of higher learning.

And the application process is rigorous with good reason.

"We wanted to make sure players selected themselves well and were serious about it," Henry said. "We want to prepare them for what they're going to face in the real world. They have to be prepared to compete with others who have been out in the working world."

Participant feedback indicates players are split between wanting to run their own business and leaving it to the pros.

According to the NFL, 48% of players who take part in the program become interested in starting a business, while 43% are "less interested." About 84% of the players not interested in starting a business are more interested in earning their M.B.A. Since completing the program, 25% of the players have started a business.

Wide Receiver Troy Brown, 36, was among a class of 35 players at Wharton Feb. 27, the last day of part one at the Philadelphia-based school. Classes resume March 25.

"I'll tell you what--it's good to see a lot of these younger guys in here, because when I was their age I would've never thought about coming to this," said Brown, who just finished his 15th season in the league. "They didn't even have programs like this then."

Brown has been with the Patriots since his rookie year in 1993. He is an unrestricted free agent. Having only played one game in the 2007 season due to injury, it's unlikely he will return for a 16th. However, he said he is not thinking about retirement. What he is thinking about is what happens to his money once that day comes.

These concerns aren't exclusive to football. Some professional athletes have famously positioned themselves in business. Roger Staubach, former Dallas Cowboys quarterback, runs the real-estate firm that bears his name. Baseball legend Cal Ripken Jr. is co-founder and CEO of Ripken Baseball Group. Golfer Greg Norman is chairman and CEO Great White Shark Enterprises.

[See: Athlete CEOs](#)

Retired NFL linebacker Hardy Nickerson, 42, is setting an example for all football players with entrepreneurial aspirations. The 16-year veteran and five-time Pro-Bowler went to school following his 2003 retirement, earned his real-state broker's license, then started the Charlotte, N.C.-based [Nickerson Realty Group](#). The company specializes in professional athlete relocation.

Nickerson already had the company up and running on a sound business plan before the league started offering this management and entrepreneurial schooling. When Troy Vincent, 36, a friend, retired player and president of the NFLPA, notified Nickerson about the new program at Wharton, he joined the first class on his own dime. The league keeps spots open for retired players. He said it cost him between \$3,500 and \$4,000.

"It helped me from that point and gave my business plan the boost that it needed," Nickerson said.

If nothing else, Wharton adjunct teacher Peter Linneman stressed one primary strategy for what these players should do with their hard-earned cash: "Don't lose it."

The irony of the situation is, as Linneman explained it, the misfortune of these men being young and rich. Most investment-savvy people grow into their money, so to speak, with age and experience. The instant players enter the league as 20-somethings, predators masked as would-be friends target them for a payday.

That's one of the two types of people these athletes will encounter, said Linneman, CEO at his own American Land Fund, a real-estate investment firm. The first is, again, the trusted "friend," the second is a institutional professional seeking a fee. Not to say these athletes will find free investment opportunities--it's just a reminder that they should question everyone's motives.

"If you don't trust them to deliver, don't be in it," Linneman said about the various deals these athletes will be pitched over time.

"The No. 1 strategy for you is don't lose it."

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