Reading 4

We'll finish up the course with some practicum work, reviewing real-world legal documents and records to understand how our theories come to life in the context of professional sports.

4.1 CASE STUDIES – SPONSORSHIP & PLAYER CONTRACTS

4.1.1 Sponsorship Agreements

4.1.2 Sponsorship Assets, Valuation and the Sales Process

4.1.3 – From Theory to Practice: Sample Agreement

4.1.4 Uniform Player Contracts

4.1.1 Sponsorship Agreements

Most fans attending sporting events are well-aware of the cost of their tickets, and likely assume that ticket sales revenues – colloquially known as “the gate” – constitutes the primary source of revenue for a team on match-day. While ticket revenue is an important piece of the local revenue puzzle for sports teams and leagues, they are not always the most substantial piece of the revenue pie.

Under the leadership of a Chief Marketing Officer or a Chief Revenue Officer, team and stadium executives are tasked to maximize other sources of local revenues (“local” meaning that the revenues are generated by the teams and/or stadia at the local level, as opposed to a league or governing body at a “national” level).

Whereas ticket sales and prices are relatively stable, other sources of local revenue can provide greater growth opportunities, and are less constrained by the physical limitations (most notably, stadium capacity) that otherwise limit the year-over-year growth of ticket sales.

Examples of non-ticket revenue streams that teams and stadiums can tap into include: (a) concessions revenues (i.e., the food and beverage purchased at the stadium before, during and after the match); (b) broadcast revenues (i.e., the sale of team-related ancillary programming, such as coach’s shows and match preview/recap shows, which can often be sold by the individual teams, even if television rights to the team’s matches are sold by the league or governing body at the national level); (c) merchandise revenues (i.e., the sale of clothing and novelties bearing the team or stadium’s name or marks); (d) parking revenues; and (d) sponsorship revenues.

Although a deep dive into all the aforementioned sources of local revenues is beyond the scope of this course, the critical importance of sponsorships in sport warrants a closer look at how sponsorships are sold, memorialized and fulfilled for clients, resulting in the generation of millions of dollars – and sometimes hundreds of millions of dollars – in local revenues for teams and stadia.

CONTINUE

4.1.2 Sponsorship Assets, Valuation and the Sales Process

Like most purchase-and-sale agreements, a sponsorship contract consists of one party, usually a team, league or stadium, providing certain promotional assets or benefits – known as “deliverables” – to another party (i.e., the sponsor) in exchange for an agreed-upon sum, whether cash, value-in-kind (“VIK”), or some combination of both.

Sponsorship assets are limited only by the creativity of the seller. Common examples of high-value sports sponsorship assets include stadium naming rights (e.g., Emirates Stadium, home of Arsenal), practice facility naming rights (e.g., Novacare Complex, practice home of the Philadelphia Eagles), jersey/kit advertising, in-stadium and on-field/on-court advertisements, social media posts, television and radio advertisements, player appearances, facility usage rights (e.g., the right to host an employee football match at your favorite club’s stadium), hospitality and exclusive access (e.g., pre-game field passes), co-branded promotions (e.g., enter-to-win), and brand designations and intellectual property usage rights (e.g., “Hyundai, the Official Automobile of the NFL”).

Each of these assets is assigned a value by the seller, whose job it is to assemble a proposal that meets the marketing objectives and budget of the buyer. Of course, a buyer will often disagree with the seller’s valuation – for example, the seller may use a different asset valuation methodology – in which case, the parties must attempt to bridge the gap through negotiations. While many sophisticated purchasers of sponsorship assets have developed their own proprietary methodologies for valuing sports sponsorship assets, others rely on the expertise of agencies who specialize in such valuations. Thus, whether you find yourself on the buy-side or sell-side, make sure you and your clients are employing sound valuation methodologies and that the consideration being exchanged by the parties is arm’s length and reflective of fair market values commensurate with industry standards.

Once the buyer and seller conclude their negotiations and reach an agreement on the menu of sponsorship assets and the value to be exchanged, it is incumbent on the parties’ legal counsel to draft and negotiate an agreement that accurately documents the agreed-upon transaction, while protecting the parties’ respective interests.

Many sponsorship agreements have lengthy terms – e.g., upwards of 30 years for multi-million dollar stadium naming rights transactions – and, as a result, a good attorney must be able to predict the challenges the parties are likely to encounter during the course of their relationship and craft fair and reasonable mechanisms for addressing such issues without resorting to the expense and uncertainty of litigation or arbitration.

Reading Assignment 4.02 – Ambush Marketing

Imagine that you're a sports business executive and have just finalized a 30-year stadium naming rights deal with a sponsor in the banking category. The sponsor has paid more than USD $100MM for these rights and receives complete exclusivity in the banking category as a result. Your brand-new stadium is about to open, and within days of the press conference announcing your stadium naming rights deal, your sponsor's primary competitor, which owns a building near your stadium, decides to build a giant, illuminated sign on their roof, which is clearly visible from your sparking new stadium (and beyond). This is type of marketing – which is known as "ambush marketing" – is fairly common and should be carefully considered when designing facilities and planning events. Whether it is written into the governing contract or not, sponsors and advertisers will always expect cooperation from their team and league partners to prevent ambush marketing, and justifiably so given that they're paying handsome sums for promotional rights that the ambush marketers are obtaining at little or no cost.

Do you think the aforementioned stadium signage hypothetical is outlandish? Consider the following case involving the Minnesota Vikings new home, U.S. Bank Stadium.

Query and analyze the following issues while reading:

1. This order by the judge denied what is known as a "preliminary injunction." It is not a final ruling in the case, but rather, a preliminary ruling that is made early in the proceedings until the case is resolved. Although the preliminary injunction was denied, the Judge ultimately ordered Wells Fargo to remove the signed.

2. Why would Wells Fargo take on the risk of constructing these signs, knowing that they might be challenged in court?

3. Although this ruling was not in their favor, Vikings ultimately won the legal battle. Had they lost, should the construction of the sign be considered a breach of their agreement with U.S. Bank even

though it is not within their control? What sort of provisions should attorneys write into sponsorship agreements to address these sorts of issues?

4. The Vikings wisely entered into an agreement with Wells Fargo early in the process, before Wells Fargo had constructed their building. If you were President of the Vikings, how would you try and address this issue if the Wells Fargo were already built at the time your stadium was to be constructed?

5. Should all cities with sports teams have ordinances preventing roof top signs and other forms of “ambush marketing,” or do such rules prioritize sports marketing rights over freedom of expression and the ability to use one’s property as he/she pleases?

6. How does the construction timeline affect the amount of damage allegedly suffered by the Vikings and/or U.S. Bank? Does it hurt the Vikings more or less if the signage is up during construction vs. following the completion of construction? When does the stadium (and the surrounding areas) receive more attention and exposure?

7. Do you agree with the Court’s conclusion that the harm to the Vikings is “speculative” given that their stadium naming rights partner, U.S. Bank, is a direct competitor of Wells Fargo?

Please note that the opinion excerpted below has been abridged for teaching purposes.

Minnesota Vikings Football Stadium, LLC vs. Wells Fargo Bank, N.A.

Civil No. 15-4502, DE 28 (D. Minn. 2016)

INTRODUCTION

Plaintiff Minnesota Vikings Football Stadium, LLC (“MVFS”) is involved in the construction and promotion of U.S. Bank Stadium (the “Stadium”), the future home of the Minnesota Vikings, a team in the National Football League (“NFL”). The Stadium, which is currently under construction, is located in the Downtown East area of Minneapolis. Defendant Wells Fargo Bank, National Association (“Wells Fargo”) is a national bank that owns two 17-story office towers (the “Wells Fargo Towers”) that, like the Stadium, are currently under construction and located in Downtown

East. In this action, MVFS claims that Wells Fargo breached its contract with MVFS by installing mounted and illuminated signs on the roof-tops of the Wells Fargo Towers when the parties' contract allows only non-mounted, non-illuminated roof-top signs.

This matter is before the Court on MVFS's Motion for Mandatory Preliminary Injunction (Doc. No. 10). MVFS asks the Court to require Wells Fargo to disassemble or cover the roof-top signs on the Wells Fargo Towers. For the reasons stated below, MVFS's motion is denied.

BACKGROUND

In 2012, the Minnesota legislature enacted Minn. Stat. §§ 473J.01-473J.27 (the "Stadium Legislation") "to provide for the construction, financing, and long-term use" of the Stadium. The Stadium Legislation established the Minnesota Sports Facilities Authority ("MSFA"), a public body consisting of three members appointed by the Governor of Minnesota and two members appointed by the Mayor of Minneapolis. Minn. Stat. § 473J.07. MSFA and MVFS entered into a Stadium Use Agreement and a Stadium Development Agreement. The Stadium Use Agreement gave MVFS the right to control the branding and image of the Stadium. The Stadium Development Agreement established a Stadium Design and Construction Group, which included representatives from both MSFA and MVFS, and gave it responsibility for the Stadium's design and construction.

After the enactment of the Stadium Legislation, Wells Fargo partnered with Ryan Companies ("Ryan") and the City of Minneapolis (the "City") on a Downtown East mixed-use redevelopment project. The project includes construction of the Wells Fargo Towers, which will house offices for over 5,000 Wells Fargo employees. On November 12, 2013, the Minneapolis City Planning Commission approved Ryan's design for the Wells Fargo Towers.

On February 10, 2014, MVFS and Wells Fargo entered into an Agreement Regarding Signage (the "Signage Agreement"), which relates to the exterior signs that Wells Fargo may install on the Wells Fargo Towers. The Signage Agreement states, in relevant part:

1. Signage Restrictions. The following types of exterior signs. are prohibited on the [Wells Fargo Towers]:

(a) roof-mounted or roof-applied signs of any kind other than.

(i) those depicted in terms of image, location, scale, size (56’ x 56’) and utility on the attached Downtown East Master Signage Plan Revision dated January 22, 2014 and attached as Exhibit D (the “Master Signage Plan”); provided that roof top signs of the same image and in the same location as the 56’ x 56’ signs depicted on the Master Signage Plan may be smaller in size, scale and utility.

Exhibit D, the Master Signage Plan, is a sixteen-page document with multiple diagrams showing exterior signs on the Wells Fargo Towers. The diagram at issue shows one 56-foot by 56-foot sign on each of the two Towers. It includes the following text: “Non-Mounted Skyview Graphic (Qty. 2) Painted Roof Sign, Custom.” The Master Signage Plan also includes plans for, among other signs, four 58-foot by 5-foot illuminated signs near the top of four faces of the Wells Fargo Towers. Only the roof-top signs are disputed in this lawsuit.

At the time the parties entered into the Signage Agreement, the City of Minneapolis Sign Ordinance prohibited certain roof-top signs, including the signs that Wells Fargo sought to install on the Wells Fargo Towers. In this context, MVFS agreed that it would:

discontinue opposition to and w[ould] not oppose Wells Fargo's efforts now or in the future to obtain approval from the City of Minneapolis for the Roof Top signs, wall mounted signs and ground mounted monuments depicted in terms of image, location, scale, size (or smaller) and utility on the Master Signage Plan, or substitute signage in conformance with this Agreement.

The parties also agreed that violation of the Signage Agreement, by either party, would cause irreparable harm:

5. Remedies. The parties acknowledge and agree that if Wells Fargo

. . . or if [MVFS] . . . fails to observe one or more of the restrictions set forth in this Agreement or fails to perform one or more of the covenants to which such person or entity is subject . . . the persons or entities benefited by the covenant or restriction would suffer irreparable harm for which a recovery of money damages would not be an inadequate [sic] remedy.

In the same provision, the parties agreed that a person or entity benefitting from the Signage Agreement's restrictions could file a lawsuit seeking temporary or permanent injunctive relief.

In early 2014, Wells Fargo promoted an amendment to the City of Minneapolis Sign Ordinance that would permit the roof-top signs that Wells Fargo wanted to install on the Wells Fargo Towers. MVFS did not oppose the amendment, and on March 28, 2014, the Minneapolis City Council passed it.

On August 8, 2014, Wells Fargo presented MVFS with a document depicting Wells Fargo's plan for signs on the Wells Fargo Towers (the "Proposed Signage Document"). Like the Master Signage Plan attached to the Signage Agreement, the Proposed Signage Document shows one 56-foot by 56-foot roof- top sign on each of the two Wells Fargo Towers. Unlike the Master Signage Plan, the Proposed Signage Document includes details about the construction of signs on the Wells Fargo Towers, including that the roof-top signs will feature illuminated lettering, mounted on I-beams, on a painted background. On August 13, 2014, MVFS sent a letter to Wells Fargo stating its position that the Signage Agreement did not permit Wells Fargo to install the mounted, illuminated roof- top signs featured in the Proposed Signage Document.

Nonetheless, Wells Fargo indicated its intention to install roof-top signs with mounted, illuminated lettering on at least three occasions. On March 13, 2015, in a phone conversation with MVFS, Wells Fargo acknowledged that the Proposed Signage Document included roof-tops signs with mounted, illuminated lettering. In the same month, MVFS learned from MSFA that Wells Fargo had submitted the sign plans shown in the Proposed Signage Document to the City and that the plans met "all of the City's requirements." Finally, on June 23, 2015, in a meeting with MVFS, Wells Fargo indicated its intent to proceed with the roof-top signs in the Proposed Signage Document. Indeed, Wells Fargo began installing signs on the Wells Fargo Towers in April 2015.

The Stadium, which is currently under construction, is scheduled to open in August 2016. Although the Stadium is not yet in use, television broadcasts of NFL games have shown aerial photography of the Stadium and surrounding area, including the Wells Fargo Towers. In addition, images of the Stadium and the Wells Fargo Towers are available to the public through an internet "webcam" showing the Stadium's construction over time.

On December 18, 2015, according to MVFS, Wells Fargo finally confirmed its intention to proceed with the mounted, illuminated roof-top signs. On that day, the signs were "first visibly demonstrated" to MVFS in photographs from the Stadium construction webcam. On December 22, 2015, MVFS filed this action against Wells Fargo in Hennepin County District Court, alleging that Wells Fargo breached the Signage Agreement and requesting declaratory and injunctive relief. At the same time, it moved for a temporary injunction to prevent Wells Fargo from installing or maintaining mounted or illuminated roof-top signs on the Wells Fargo Towers. On December 24, 2015, Wells Fargo removed the case to this Court. On December 29, 2015, MVFS filed the instant Motion for Mandatory Preliminary Injunction.

DISCUSSION

I. Standard of Review

The Court considers four factors in determining whether to grant a preliminary injunction: (1) the threat of irreparable harm to the moving party; (2) the balance between this harm and the injury that granting the injunction would inflict on the non- moving party; (3) the moving party's likelihood of success on the merits; and (4) the public interest. Dataphase Sys., Inc. v. C L Sys., Inc., 640 F.2d 109, 113 (8th Cir. 1981). "At base, the question is whether the balance of equities so favors the movant that justice requires the court to intervene to preserve the status quo until the merits are determined." Id. A preliminary injunction is an "extraordinary remedy," and the moving party bears the burden of establishing the need for a preliminary injunction. Watkins Inc. v. Lewis, 346 F.3d 841, 844 (8th Cir. 2003).

II. Irreparable Harm

To begin, the Court considers whether MVFS is likely to suffer irreparable harm if the Court denies its motion. "Irreparable harm occurs when a party has no adequate remedy at law, typically because its injuries cannot be fully compensated through an award of damages." Gen. Motors Corp. v. Harry Brown's, LLC, 563 F.3d 312, 319 (8th Cir. 2009). Speculative injury is insufficient to justify a preliminary injunction, and a moving party's long delay after learning of the threatened harm may indicate that the harm is neither great nor imminent. Novus Franchising, Inc. v. Dawson, 725 F.3d 885, 894-95 (8th Cir. 2013); Hubbard Feeds, Inc. v. Animal Feed Supplement, Inc., 182 F.3d 598, 603 (8th Cir. 1999). The moving party's failure to show irreparable harm absent an injunction is sufficient to warrant denial of a request for preliminary injunctive relief. Gelco Corp. v. Coniston Partners, 811 F.2d 414, 420 (8th Cir. 1987).

According to MVFS, Wells Fargo's mounted and illuminated roof-top signs will result in irreparable harm to MVFS because the signs distract from the image of the Stadium. Specifically, viewers of televised NFL games and users of the Stadium construction webcam will see Wells Fargo's signs when they see images of the Stadium. As such, in MVFS's view, Wells Fargo's signs encroach on MVFS's "rights to that image [of the Stadium], which, once done, cannot be undone."

While the Court acknowledges that harm to the Stadium's "image" may be difficult to measure in terms of monetary damages, the Court finds that any harm suffered by MVFS is speculative. The parties agree that Wells Fargo is

permitted to have certain signs that will appear in images of the Stadium. Namely, the parties do not dispute that Wells Fargo may install two non-mounted, non-illuminated roof-top signs, and they do not dispute that Wells Fargo's other signs—including the four 58-foot by 5-foot illuminated signs, near the top of the Wells Fargo Towers—are allowed. Indeed, Wells Fargo's 58-foot by 5-foot signs are visible in the majority of the webcam photographs submitted by the parties for the purpose of showing the roof-top signs. Given these indisputably permissible signs, the effect of mounted, illuminated roof-top signs on the Stadium's "image" is minimal.

Further, the fact that MVFS waited until December 22, 2015 to seek preliminary injunctive relief undermines its claim of irreparable harm. MVFS received Wells Fargo's Proposed Signage Document, featuring mounted, illuminated roof-top signs, in August 2014—more than a year before MVFS filed the instant motion. And, MVFS points to occasions in March and June of 2015, when Wells Fargo affirmatively indicated to MVFS that it intended to install the mounted, illuminated roof-top signs featured in the Document. Still, MVFS did not seek preliminary injunctive relief until months later.

Finally, the parties' contractual agreement that violation of the Signage Agreement by Wells Fargo would cause irreparable harm to MVFS does not bind this Court. The irreparable-harm provision of the Signage Agreement "lend[s] weight" to MVFS's position because it shows "that the parties contemplated that a breach of the [Signage Agreement] could cause irreparable harm." 5 See Allan Block Corp. v. E. Dillon & Co., Civ. No. 04-3511, 2005 WL 1593010, at *6 (D. Minn. July 1, 2005). However, an irreparable-harm provision, without more, is insufficient to establish irreparable harm. Id.; see also Dominion Video Satellite, Inc. v. EchoStar Satellite Corp., 356 F.3d 1256, 1266 (10th Cir. 2004); Leggett & Platt, Inc. v. Fleetwood Indus., Inc., Civ. No. 15-5064, 2015 WL 4160401, at *3 (W.D. Mo. July 9, 2015). Given the evidence in the record, the Court concludes that MVFS has not demonstrated that it will suffer irreparable harm if the Court does not enter the injunction that MVFS requests. The irreparable-harm factor weighs in favor of Wells Fargo.

III. Balance of Harms

Next, the Court considers whether the harm that MVFS would suffer if the Court denies its motion outweighs the harm that Wells Fargo would suffer if the Court grants the motion. See, e.g., Gen. Motors, 563 F.3d at 320. At oral argument, MVFS asked the Court to order Wells Fargo to disassemble, or alternatively cover, the roof-top signs on the Wells Fargo Towers. The problem with MVFS's request, however, is that MVFS concedes that the Signage Agreement entitles Wells Fargo to two non-mounted, non-

illuminated 56-foot by 56-foot roof-top signs. Requiring Wells Fargo to disassemble or cover the existing signs would leave Wells Fargo with no roof-top signs at all.6 Moreover, forcing Wells Fargo to disassemble its signs would likely cause harm to Wells Fargo in the form of additional labor and storage expenses, as well as disruption of construction plans.7 Because MVFS fails to establish that it will suffer irreparable harm if the Court does not grant its motion, the balance of harms tips in Wells Fargo's favor.

IV. Likelihood of Success on the Merits

In addition to considering the harms MVFS and Wells Fargo may suffer, the Court assesses MVFS's likelihood of succeeding on the merits of its claims. In the Eighth Circuit, the likelihood-of-success factor is the most important of the four Dataphase factors. Barrett v. Claycomb, 705 F.3d 315, 320 (8th Cir. 2013). The moving party need not "prove a greater than fifty per cent likelihood that [it] will prevail on the merits," Dataphase, 640 F.2d at 113, but rather must demonstrate a "fair chance of prevailing," Planned Parenthood Minn., N.D., S.D. v. Rounds, 530 F.3d 724, 732 (8th Cir. 2008).

MVFS claims that Wells Fargo breached the parties' Signage Agreement. To succeed on the merits of this claim, MVFS must prove that: (1) MVFS and Wells Fargo formed a valid contract; (2) MVFS performed any conditions precedent to its right to demand Wells Fargo's performance under the contract; and (3) Wells Fargo breached the parties' contract. See Lyon Fin. Servs., Inc. v. Ill. Paper & Copier Co., 848 N.W.2d 539, 543 (Minn. 2014). Here, the parties do not dispute that the Signage Agreement is valid and enforceable, and they do not dispute that MVFS, per the Agreement, did not oppose Wells Fargo's efforts to obtain approval for the exterior signs shown in the Master Signage Plan. Further, they do not dispute that Wells Fargo has installed two mounted roof-top signs.

The contested issue is whether the Signage Agreement permits Wells Fargo's roof-top signs. Under Minnesota law, a court interpreting a contract (such as the Signage Agreement) must attempt to determine the intent of the parties from the language of the contract in light of all of the contract's terms. Gorog v. Best Buy Co., Inc., 760 F.3d 787, 793 (8th Cir. 2014); Residential Funding Co., LLC v. Terrace Mortg. Co., 725 F.3d 910, 916 (8th Cir. 2013). If the court determines that the contract language is unambiguous— meaning it has only one reasonable interpretation—it will give effect to that language. Seagate Tech., LLC v. W. Dig. Corp., 854 N.W.2d 750, 761 (Minn. 2014).

If, however, the court concludes that the contract language is ambiguous, evidence outside the language of the contract, including the circumstances surrounding the contract's formation, is used to determine the parties' intent. Metro. Airports Comm'n v. Noble, 763 N.W.2d 639, 645-46 (Minn. 2009).

Here, the operative contract provision prohibits Wells Fargo from installing “roof- mounted or roof-applied signs of any kind other than (i) those depicted in terms of image, location, scale, size (56’ x 56’) and utility” in the Master Signage Plan. The Master Signage Plan includes a diagram showing a 56-foot by 56-foot roof-top sign on each of the two Wells Fargo Towers. That diagram includes the following text: “Non-Mounted Skyview Graphic (Qty. 2) Painted Roof Sign, Custom.”

MVFS argues that Wells Fargo’s roof-top signs clearly violate the parties’ contract. According to MVFS, the language of the Signage Agreement unambiguously demonstrates the parties’ intent to allow only non-mounted, painted signs as shown in the Master Signage Plan’s diagram. Further, because the diagram does not provide that the signs are illuminated, MVFS concludes that Wells Fargo may not illuminate the roof-top signs in any way.

Wells Fargo contends that the Signage Agreement is not nearly as simple as MVFS suggests. According to Wells Fargo, the Signage Agreement’s silence regarding illumination of the roof-top signs shows that the parties did not intend to prohibit illumination; if they had, they would have done so expressly. Moreover, Wells Fargo argues that the Signage Agreement demonstrates the parties’ intent to establish general guidelines regarding the “image, location, scale, size (56’ x 56’) and utility” of Wells Fargo’s roof-top signs, without binding Wells Fargo to the specific details of the signs shown in the roof-top diagram. General guidelines made sense, Wells Fargo contends, because at the time the parties entered into the Signage Agreement, construction on the Wells Fargo Towers had not yet begun. Finally, Wells Fargo claims that its mounted, illuminated roof-top signs are consistent with the Signage Agreement, because the roof-top diagram and the current roof-top signs show the same red and gold Wells Fargo “image.” Thus, for Wells Fargo, the roof-top signs are “roof-mounted or roof-applied signs” of the same kind as “those depicted in terms of image, location, scale, size (56’ x 56’) and utility” in the Master Signage Plan.

At this early stage of litigation, the Court concludes that both parties have viable arguments. As such, without finding that MVFS’s argument is stronger than Wells Fargo’s argument, the Court determines that MVFS’s breach-of-contract claim has a “fair chance of prevailing,” which is enough for the likelihood-of-success factor to weigh in favor of MVFS.

V. Public Interest

Finally, the Court considers whether any public policy considerations bear on whether the Court should grant or deny MVFS’s motion. See, e.g., Chlorine Inst. Inc. v. Soo Line R.R., 792 F.3d 903, 916 (8th Cir. 2015). The fact that public and private entities have collaborated on the Stadium and the development of the surrounding Downtown East area, including the Wells Fargo Towers, does not escape the Court. The Stadium is a community asset intended to

benefit the public, and public money constitutes a significant portion of the Stadium's funding. At the same time, the development of the area surrounding the Stadium, including the Wells Fargo Towers, involves public-private collaboration and will presumably bring housing, jobs, and infrastructure to Downtown East. Indeed, with each party touting the public benefits that its respective investment in Downtown East will provide, it is difficult for the Court to understand why the parties, with or without the involvement of the City, could not reach an agreement—for the benefit of the public—on the meaning and effect of the Signage Agreement. The Court finds that the public interest weighs neither for nor against MVFS's motion.

CONCLUSION

Although MVFS has demonstrated a fair chance of prevailing on its breach-of- contract claim, it has not demonstrated that the injunction it seeks is necessary to prevent it from suffering irreparable harm. Further, even though the Wells Fargo Towers feature several exterior signs that are not in dispute, granting MVFS's motion is likely to cause harm to Wells Fargo (albeit minor harm) by temporarily depriving it of all roof-top signs, including non-mounted, non-illuminated roof-top signs.

In these circumstances, the Court denies MVFS's request for preliminary injunctive relief.

ORDER

Based on the files, records, and proceedings herein, and for the reasons stated above, IT IS HEREBY ORDERED that Minnesota Vikings Football Stadium, LLC's Motion for Mandatory Preliminary Injunction is DENIED.

CONTINUE

4.1.3 – From Theory to Practice: Sample Agreement

Attached as Attachment A is a form sponsorship agreement that is very similar to those used in practice. Take a moment to review the form agreement. As you do, you'll notice that many of the concepts discussed in this course make an appearance in the legal terms and conditions (e.g., default, notice-and-cure, termination rights, etc.). Pay careful attention to these critical clauses during negotiations. Although the clients will almost always be more concerned with the business terms (i.e., the sponsorship assets) than the legal terms, it is the legal terms that will determine the parties' rights and remedies in the event of a dispute regarding the underlying assets.

Attachment A

Attachment A.pdf
539.6 KB

Attachment B

Attachment B.pdf
432.2 KB

Attachment C

CONTINUE

4.1.4 Uniform Player Contracts

One important aspect of collective bargaining in American sports is the structure of a uniform player contract. In most other industries, agreements are generally negotiated individually with employees – and thus often contain terms and conditions that different materially based on the outcomes of those negotiations. The playing contracts of athletes in a major American sports league, however, are almost identical in every respect. The one respect in which they differ is, of course, the length of the contract and the amount of compensation to be paid to the player thereunder.

The purpose of implementing a uniform player contract (known as "UPCs") is quite simple: to streamline negotiations between clubs and players by limiting the often-contentious negotiations to the most essential and critical terms (i.e., contract length and compensation parameters. Clubs negotiate such contracts through a chief contract negotiator, usually a General Manager that is a full-time employee of the club, while players are represented by their designated player agents, who receive a portion of the players' earnings as compensation. These negotiations are, of course, subject to salary caps, salary floors, and any other parameters that have been agreed-upon by the league and union in their collective bargaining agreement. As a result, all such contracts must be reviewed and approved by the league office for compliance with same.

As you read through the attached UPCs, put yourself in the shoes of the players association and/or the league, and query what contract provisions you would want to modify during your next collective bargaining session.