

NATIONAL FOOTBALL LEAGUE

The National Football League (NFL) is the premier U.S. professional football league. The United States is the only place where the term football refers to the game played by NFL teams; in most other parts of the world, this term refers to soccer. In "Sports Industry Overview," Plunkett Research estimates that the NFL's total league-wide revenue was \$5.9 billion in 2006, and the average player earned a salary of \$1.4 million. According to SportsBusiness Journal, sales of merchandise licensed by the NFL or its teams total \$2.5 billion per year, the highest among the major sports.

The NFL's success can be credited in part to breakthroughs in the 1960s and 1970s in packaging the sport for television. No other sport has managed to capture the kind of spectacle that NFL broadcasts generate. The league has also benefited from labor relations that have been relatively stable, compared to those of the other major sports (a state some commentators attribute to the fact that the NFL Players Association is weak and ineffectual when compared to the unions in other sports). The NFL's revenue-sharing system is also generally considered the best among the major sports in terms of keeping small-market teams competitive.

NFL Structure and Administration

As of 2007 there were thirty-two teams in the NFL, sixteen each in the National and American Football Conferences. Each conference is divided into four divisions: East, North, South, and West, and each division has four teams. NFL teams play a sixteen-game regular season, which begins the weekend of Labor Day. Each team also has a bye weekend (no games are played) during the season; therefore, the full regular season lasts seventeen weeks. Sunday afternoons have long been the traditional time for professional football games. The exceptions have been one game per week on Sunday night and one on Monday night, although in recent years the league has begun scheduling occasional games on Thursday nights as well.

At the end of the regular season, six teams from each conference qualify for the playoffs: the four division champions and two wild-card teams (those with the best record that did not win their division). The champions of the two conferences square off in the Super Bowl. For much of its history, the Super Bowl has taken place in January; however, since 2002 it has been played in early February.

In the NFL revenue from television contracts and product licensing is shared equally among the teams. The idea behind this approach is to create parity, in contrast to MLB, where teams located in larger markets generally have a lot more money to spend than their rivals in smaller markets. Football teams also split money from ticket sales. Generally, the home team gets 60% of the money from the gate and the visiting team gets 40%. The exception is luxury boxes; the home team gets to keep all the money from selling its luxury box seating to corporations and other wealthy customers. This is

AFC East	AFC North	NFC East	NFC North
Buffalo Bills	Baltimore Ravens	Dallas Cowboys	Chicago Bears
Miami Dolphins	Cincinnati Bengals	New York Giants	Detroit Lions
New England Patriots	Cleveland Browns	Philadelphia Eagles	Green Bay Packers
New York Jets	Pittsburgh Steelers	Washington Redskins	Minnesota Vikings
AFC South	AFC West	NFC South	NFC West
Houston Texans	Denver Broncos	Atlanta Falcons	Arizona Cardinals
Indianapolis Colts	Kansas City Chiefs	Carolina Panthers	San Francisco 49ers
Jacksonville Jaguars	Oakland Raiders	New Orleans Saints	Seattle Seahawks
Tennessee Titans	San Diego Chargers	Tampa Bay Buccaneers	St. Louis Rams

one of the main reasons so many teams have been campaigning for new stadiums containing fewer regular seats and more premium boxes. Owners of teams that generate more money find the NFL's revenue-sharing system unfair, arguing that teams that draw more fans and sell more merchandise should benefit the most. Others contend that if revenue sharing is abolished, the NFL as a whole will suffer as team records begin to reflect the disparity between wealthier teams and those that generate less money.

The NFL is administered by the Office of the Commissioner. The first commissioner of the NFL was Elmer Layden (1903–1973), who had been a star player and later a coach at the University of Notre Dame. Layden held the post from 1941 until 1946, guiding the league through the difficult years of World War II, when most able-bodied American men had either joined or were drafted into the armed services. Layden was succeeded by Bert Bell (1895–1959), the cofounder of the Philadelphia Eagles. Under Bell, whose term as commissioner lasted until his death in 1959, NFL attendance grew every year. Bell is famous for his oft-quoted statement, "On any given Sunday, any team can beat any other team."

However, it was Bell's successor, Pete Rozelle (1926–1996), who led the league through its period of dramatic growth in the 1960s and 1970s. Rozelle introduced the concept of long-term network broadcast contracts and applied sophisticated marketing techniques to sell the NFL brand to the American public. Rozelle over-saw the merger between the American Football League (AFL) and the NFL and guided the league to what is generally considered a victory over the players' union during the 1987 labor strike. Rozelle retired in 1989 and was replaced by Paul Tagliabue (1940–). Under Tagliabue the NFL was marked by a great deal of team movement between cities, as owners sought to maximize the revenue they could generate from the sale of stadium naming rights and luxury skybox seating. Under Tagliabue the NFL largely avoided the labor disputes that have plagued the other major sports. Tagliabue retired after the 2005 season and was replaced by Roger Goodell (1959–). One of the key issues the commissioner must deal with before 2010 is the future of the NFL's revenue-sharing system, a debate that may pit owners of big-market teams against owners of teams who play in less populous cities.

NFL History

The NFL came to life in 1920 as the American Professional Football Association (APFA). The league adopted its current name two years later, but professional football actually dates back to 1892, when a Pittsburgh club paid Pudge Heffelfinger (1867–1954) \$500 to play in a game.

The APFA—which was based in a Canton, Ohio, automobile dealership—consisted of eleven teams, all but one of them located in the Midwest. In its original form, the APFA was not really a league in the modern sense; it was essentially an agreement among member teams not to steal players from each other. Even though professional football remained secondary to the college version in its early years, it gradually gained in popularity when former college stars such as Red Grange (1903–1991) and Benny Friedman (1906–1982) turned professional. An annual championship game was established in 1933. By this time, most of the league's teams, with the notable exception of the Green Bay Packers, had left the small towns of their birth for bigger cities.

Professional football began to challenge college football's dominance in the years following World War II, as a faster-paced, higher-scoring style drew new fans. The NFL expanded to the West Coast in 1945, when the Cleveland Rams relocated to Los Angeles. By the 1950s professional football was firmly entrenched as a major sport in the United States, as television effectively captured the heroics of such glamorous stars as Bobby Layne (1926–1986), Paul Hornung (1935–), and Johnny Unitas (1933–2002). The explosive growth of professional football led to the creation of a rival

league, the AFL, in 1960, resulting in a costly bidding war for the services of top players. By the mid-1960s professional football had eclipsed baseball as the nation's favorite sport. In 1970 the two football leagues merged. The AFL's ten teams plus three NFL teams became the American Football Conference; the remaining thirteen NFL teams became the National Football Conference. The champions of the two conferences would meet in the newly created Super Bowl to determine the world champion of professional football.

The NFL was the biggest spectator sport in the United States during the 1970s and 1980s. In most years the Super Bowl was the most watched television show of any kind, and Monday Night Football set a new standard for sports broadcasting with its innovative mixture of sports and entertainment. Since the 1990s the popularity of football has spread internationally. In 1993 the NFL launched the World League of American Football, whose name was changed to NFL Europe in 1997. NFL Europe, with teams in Germany and the Netherlands, served as a sort of development league in which a player's skills can be honed to reach NFL standards. In June 2007 the NFL abruptly announced that it was shutting down NFL Europe, but interest in the sport continues to grow in Europe.

Labor Disputes in the NFL

The NFL Players Union was formed in 1956, when players on the Green Bay Packers and Cleveland Browns utilized a collective approach to demand minimum salaries, team-paid uniforms and equipment, and other benefits from owners. The owners refused to respond to any of these demands. The union threatened to sue, a threat strengthened by *Radovich v. National Football League* (352 U.S. 445, 1957), in which the Supreme Court ruled that the NFL did not enjoy the same special status as MLB did with regard to antitrust laws. The owners eventually gave in to most of the players' demands but did not formally recognize the union for collective bargaining purposes. The NFL Players Association (NFLPA), as it was by then named, did not become the official bargaining agent for players until 1968, following a brief lockout and strike.

After the merger of the NFL and AFL, the NFLPA focused on antitrust litigation that challenged the so-called Rozelle Rule, which required a team signing a free agent to compensate the team losing the player, thereby severely limiting players' ability to benefit from free agency. The union succeeded in getting the Rozelle Rule eliminated in 1977.

When the NFLPA went on strike for a month in 1987, the owners responded by carrying on with the schedule using replacement players and a handful of veterans who chose to cross the picket line. With support weakening, the union ended its strike in October 1987. Free agency finally came to the NFL in 1992, and this was balanced by the introduction of salary caps during the mid-1990s. The NFL has experienced relatively smooth labor relations since then. The current collective bargaining agreement, which was renewed in March 2006, is active through the 2011 season.

Unlike MLB and the National Basketball Association (NBA), the NFL has a hard salary cap, meaning teams cannot spend more than a specified amount on salaries under any circumstances. For players and their union, free agency is considered an acceptable trade-off for the introduction of salary caps. With each new contract, the size of the salary cap is a subject of intense negotiation, but to date there have not been any work stoppages over it. Salary caps are considered an important way to ensure competition across the league: they stop the large-market teams from buying their way to the Super Bowl, and they give smaller-market teams such as Kansas City, Cincinnati, and Green Bay the ability to afford high-performing players.

Studies in sports economics show a strong correlation between total team salary and winning percentage. In "Buying Success: Relationships between Team Performance and Wage Bills in the U.S. and European Sports Leagues" (Rodney Fort and John Fizel, eds., International Sports Economics Comparisons, 2004), Robert Simmons and David Forrest analyze salary and percentages of wins of seven professional sports leagues in the 1980s and 1990s—three European soccer leagues, MLB, the National Hockey League (NHL), NBA, and the NFL. The results showed that, in general, a higher overall team salary was associated with a greater likelihood of higher point scoring (in the European leagues) and of entering playoffs (in the North American leagues). Salary caps were invented precisely to mitigate this effect, and by and large they have been effective at balancing the wealth within leagues. The NFL's cap is the "hardest" (it has the fewest loopholes), and as such has had the biggest balancing effect. Of course, wealth parity does not always translate into winning percentage parity, because there are so many other variables involved, such as whether management makes good decisions about how to distribute its limited payroll.

In recent years greater attention has been on the well-being of former players suffering from physical problems resulting from the pounding their bodies took during their active playing careers. Many players with disabilities severe enough to prevent them from working have faced financial hardships besides physical pain. One story that received a great deal of media attention is the case of Mike Webster (1952–2002), a Hall of Fame-caliber player for the Pittsburgh Steelers. Webster died homeless and destitute at the age of fifty after years of drug addiction and dementia that he believed was caused by the many concussions he suffered during his seventeen-year career. The NFL denied that Webster's injuries were football-related and withheld assistance. A court later ordered the league to pay Webster's estate more than \$1 million.

In June 2007 congressional hearings revealed an NFL disability compensation system that had performed poorly, providing assistance to a shockingly low number of former players who had suffered debilitating injuries, ranging from multiple concussions to severe arthritis necessitating joint replacement. In 2007, in response to this problem, a number of former players—led by Jerry Kramer (1936–) and Mike Ditka (1939–)—formed the Gridiron Greats Assistance Fund, a nonprofit foundation that provides financial assistance to indigent former players who need help with medical or domestic issues.

Current Issues in the NFL

In recent years, the NFL has been in the spotlight for domestic violence issues. Recent players such as Adrian Peterson and Ray Rice have been suspended for violence outside the NFL due to not abiding by the players conduct code.

Other teams have faced harsh penalties for "bounty hunting". The New Orleans Saints organization and players faced huge punishments due to a league conducted investigation to whether players were being paid money to put dangerous hits on opposing team players.

In addition, there have been several cheating scandals, many centered around the New England Patriots organization. "Deflate Gate" and "Spygate" were both incidents where the organization was found to have broken NFL rules to give the team a sizeable advantage in a game.

Also, during the 2012 season, there was a NFL Referees strike. The season continued like normal with replacement referees acting in place of the official referees who were on strike. Due to a major incident week 3, negotiations were agreed upon, and the official referees returned to work.