

Sports & Entertainment Beat

## **Sports & Entertainment Spotlight - March 25, 2021**

By Joshua Bloomgarden on 3.25.21 | Posted in Sports & Entertainment Spotlight

Happy Spring! After an especially long winter throughout several parts of the country, it is a welcome sight to see many of the familiar hallmarks of this time of year (even as our daily lives remain markedly different from this time two years ago): MLB Spring Training, Awards season and busted brackets (thank you, Oral Roberts). Without further ado, below is a sampling of the latest for you to tuck away in your bonnet:

- Notwithstanding the successes of the NCAA Men's and Women's Basketball Tournaments to this point, the NCAA and its Commissioner, Mark Emmert, have had a full-court press put on them while in the limelight of the tourneys. For decades, the relaxation or roll-back of amateurism rules in collegiate athletics has at times seemed to be a chimera, but given the prominent student-athlete activism proliferating across social media, and more states enacting measures that claw back publicity rights for student athletes, we appear to be close to (if not at) a tipping point.
- For some time we've been reading about Special Purpose Acquisition Companies (SPACs) and just how popular they've become among athletes and entertainers, and retail investors looking to ride the wave of increased democratization during the pandemic – but now we see the data and the trend is astronomical, with fundraising up 2,000 percent since this time last year. While there is no sign of slowing down, athletes, entertainers and investors alike are well advised not to lose sight of the investment risk involved.
- Non-fungible tokens (NFTs), the other asset that has been red hot in the increased digitization of the world wrought by the pandemic, produced another eyebrow-raising first – the sale of an NFT house for half a million dollars. At that price, I would make my digital guests take off their NFT shoes at the front door.

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**Endorsement Deals, Sponsorships & Investments**

**Cristiano Ronaldo, Tiger Woods & Roger Federer in Race to Become First Sports Athlete to Earn \$1 billion**

*March 19, 2021 via 90min*

Sporting legends, Cristiano Ronaldo, Roger Federer and Tiger Woods have earned staggering amounts of money throughout their career so far and now the trio are in the race to become the first sports athlete to be worth \$1 billion.

**4x MVP LeBron James Signs Deal With PepsiCo's Mtn Dew, Terminates 17-year-old Deal With Coca-Cola**

*March 19, 2021 via InsideSport*

After claiming an ownership stake in the Boston Red Sox, LeBron James has added another line of investment in his vast portfolio. The King has signed a new deal with PepsiCo's Mountain Dew Rise Energy Drink.

**SPAC Fundraising Is Up an Insane 2,000% From a Year Ago**

*March 17, 2021 via WRAL*

The SPAC market is so hot that this year's fundraising haul has already surpassed all of 2020's. And it's not even April. Understandably, the world's largest asset manager worries the SPAC boom is overdone.

**The Celebrities From Serena Williams to Paul Ryan Fueling the SPAC Boom**

*March 17, 2021 via Wall Street Journal – General (subscription may be required)*

One key driver of the boom in special purpose acquisition companies is a reputational shift. Blank-check companies were associated with fraud and lackluster investor returns for decades. Now, SPACs are cool, and the biggest names in sports, politics, business and entertainment are involved.

**The SPAC Market Is Booming, but There Are Plenty of Bad Buys. Here's What Eight Experts Say Investors Should Be Looking for in Their Next SPAC Investment**

*March 20, 2021 via Business Insider- Politics*

The SPAC market has been on fire during the pandemic. In fact, 219 special purpose acquisition companies raised a record \$73 billion in 2020, representing a 462 percent year-over-year jump in proceeds raised by blank-check firms.

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**Music IP**

**Tech Firm Says Musicians Lose Billions to Illegal Business Streaming**

*March 17, 2021 via MENAFN - Global Top News*

At a time when musicians are struggling to live off streaming, a Swedish tech entrepreneur says his app can boost royalties by curbing the illegal use of music by millions of businesses.

Many are unaware that songs on Spotify, Apple, Deezer and other streaming platforms are not licensed for use in cafes, shops, restaurants, hair salons and other businesses.

### **Spotify Justifies Its Payouts With Loud&Clear**

*March 21, 2021 via Forbes – Business (subscription may be required)*

This week, Spotify posted what amounts to a justification of its royalty payouts called “Loud&Clear.” The idea behind it is to show that there are some artists that make a great deal of money from the platform, but there are also thousands of smaller artists that are making at least some money as well. There are no specific artists cited, but the generalities of the data are telling.

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### **Non-Fungible Tokens**

#### **Is a Tweet the Next Mona Lisa? Dorsey's \$2.9 Million Sale Raises Questions of Value**

*March 23, 2021 via Bloomberg - Top Stories (subscription may be required)*

It used to be that likes, comments, shares and such — rather than a price tag — represented the worth of tweets, Facebook posts, TikTok videos, Instagram pictures and other social-media ephemera. But now there’s an emerging means of measuring their value: by the millions of dollars they fetch at auction. On Monday (March 22), Twitter Co-Founder Jack Dorsey sold his first-ever tweet for \$2.9 million.

#### **NFT Buyers and Sellers Could be Liable to “Unknown” Capital Gains Tax in the United States**

*March 18, 2021 via Cryptocurrency & Bitcoin News*

As the U.S. tax season fast approaches, investors who buy and sell NFTs using crypto could be liable to a painful surprise capital gains taxes, an expert explained on CNBC last Thursday. The taxable amount from proceeds made from the booming NFT to the U.S. Internal Revenue Service (IRS) could skyrocket past 30 percent – hurting the huge profits made from the NFT craze.

#### **World's First Digital NFT House Sells for \$500,000**

*March 23, 2021 via CNN Edition*

Having spent so much time at home over the last year, many people are craving a change in their surroundings. But if a coat of paint or some creative renovations fail to do the trick, there is now a more extreme alternative: The digital house. Mars House, the world's first digital NFT (non-fungible token) home, has recently sold for more than \$500,000.

### **Why the NFT Art Market Is Exploding**

*March 22, 2021 via Bloomberg - Top Stories (subscription may be required)*

Digital artist Beeple sold a non-fungible token of his piece “Everydays: The First 5000 Days” for an eye-watering \$69.3 million. And he’s not the only one cashing in on this exploding NFT market.

### **Non-fungible Tokens: Asset Ownership via Blockchain Rockets Into Legal**

*March 22, 2021 via Legal Executive Institute*

In a two-part series, we will look at Non-Fungible Tokens, explaining what they are and how they will impact numerous industries; and how decentralized finance (DeFi) is critical to understanding NFT’s importance within the legal industry. Welcome to the early days of where blockchain goes mainstream, and the legal industry needs to take notice.

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## **Right of Publicity**

### **NCAA President Mark Emmert Will Meet With College Basketball Players Behind #NotNCAAProperty - After Men's Tournament**

*March 22, 2021 via USA TODAY*

NCAA president Mark Emmert said he will meet with the college basketball players behind the hashtag #NotNCAAProperty but not until after the end of the men's tournament. The athletes responsible for first posting and sharing the hashtag on social media requested a meeting with Emmert this week to discuss issues related to the online protest, including the inequitable facilities for use at the men's and women's tournaments and the NCAA's stance on name, image and likeness.

### **The NCAA Is Playing the Ball in the Wrong Court**

*March 22, 2021 via Forbes (subscription may be required)*

While the welcome return of March Madness reminds us of the popularity of college sport, the NCAA continues to spend hundreds of millions in legal bills and political lobbying, fighting to preserve its exploitative and broken system.

### **Why NCAA Hatred Is Going Viral**

*March 19, 2021 via Slate Magazine*

The run-up to this spring’s NCAA men’s and women’s basketball tournaments has been different than normal, and not just in the ways directly attributable to pandemic sports: the single-state setups in Indiana and Texas, the near-empty venues, and the uncertainty over whether every team selected for the field would even be able to play. Strikingly, the biggest stories leading up to the tournament weren’t about any of that, or about Duke and Kentucky both missing the men’s tournament, or about the games that will be played over the next three

weeks. Rather, they focused on the organization staging those games.

#### **College Basketball Players Push for Reform on Social Media**

*March 18, 2021 via Honolulu Star Advisor*

Several prominent players at the March Madness basketball tournament took aim at the NCAA on social media today, demanding changes to how they are allowed to be compensated in the latest organized display of power by college athletes.

#### **Arizona Lawmakers Vote to Allow College Athletes to Earn Money**

*March 18, 2021 via Bloomberg Tax (subscription may be required)*

Arizona would remove barriers to college athletes receiving compensation for use of their names or images through a bill the state's Legislature passed Thursday. The measure (S.B. 1296) would prepare the state for potential changes in NCAA rules to let student athletes make third-party endorsement deals.

#### **Reforms to NCAA Student-Athlete Model Could Take the Glass Slipper Away From the Cinderellas**

*March 18, 2021 via The Hill - Congress Blog*

Everyone in America is busy filling out brackets for the NCAA Men's Basketball Tournament — trying to identify this year's Cinderella team, the lesser-known school that's going to knock off a powerhouse. But proposals in Congress could take the glass slipper away from the Cinderellas — and that's why college fans should keep one eye on Washington while the other is on the tournament.

#### **Will March Madness Be NCAA's Last Dance Featuring Amateurism as It Knows It**

*March 17, 2021 via Forbes (subscription may be required)*

The NCAA men's basketball championship began a couple of weeks ago with the four play-in games and immediately delivered excitement — two games were decided by one point and another went to overtime. March Madness starts in earnest on Friday with 16 games. As exciting as many of these are likely to be, there is a decent chance things could be just as exciting off the court. On the eve of the tournament, a handful of players have been expressing their discontent with the NCAA on social media by using the hashtag #NotNCAAprperty.