

Sports & Entertainment Beat

Sports & Entertainment Spotlight: The Consumer Watchdog, Truth in Advertising, Sent Warning Letters to Numerous Celebrities Who Have Been Peddling NFT Projects

By Joshua Bloomgarden on 8.11.22 | Posted in Sports & Entertainment Spotlight

Welcome back to the "Spotlight!" Two of the biggest stories in sports right now are if and/or when professional athletes will themselves be welcomed back. First, is a case (unofficially captioned "you can't have your cake and eat it too") in which several professional golfers who bolted the PGA Tour for a king's ransom from the Saudi sovereign wealth fund-backed LIV Golf are seeking a ruling reinstating them for competition in the PGA Tour's playoff series. If that sounded to you like a longer shot than a hole-in-one on a par 5, you would be right. After all, as the judge reasoned, the golfers were already making more money on the LIV Tour than they could reasonably expect to make in PGA Tour competition.

Elsewhere, Cleveland Browns Quarterback Deshaun Watson is awaiting word on how long he will be suspended due to the dozens of sexual assault allegations against him during his tenure with the Houston Texans. Initially, Judge Sue L. Robinson ruled that Watson would miss the first six games of the season. That ruling has since been appealed by the NFL, with Commissioner Roger Goodell now seeking a season-long ban for Watson. Regardless, the Cleveland Browns have Deshaun Watson slated to start the team's first preseason game. So, either the Cleveland Browns know something we all don't know or they're the Cleveland Browns. In any event, the controversies surrounding the LIV Golfers and Watson have made them all untouchable in the eyes of brands seeking endorsement partners. Suffice it to say, this is not quite the spotlight they are looking for. For you, however, here's the "Spotlight" that you are looking for:

- The consumer watchdog Truth in Advertising sent warning letters to numerous celebrities who have been peddling NFT projects, notifying them that they may be in violation of Federal Trade Commission regulations for failure to disclose financial interests in the projects. Still needed for many in the public is a disclosure of what NFTs are.

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- Green Bay Packers Quarterback Aaron Rodgers' recent revelations about improvement in his game after drinking ayahuasca tea may have moved psychedelics closer into the mainstream. And who could argue with that? After all, Rodgers became the first player in NFL history to win 32 Super Bowl championships in a single season.
- Perhaps looking to further leverage his recent acquisition of Welsh Football (Soccer) Club Wrexham A.F.C., Ryan Reynolds and his production company Maximum Effort entered into an unscripted first-look development deal with sports streaming service FuboTV. Reynolds continues to add to the winning streak that started when he decided not to be Green Lantern anymore.

Endorsement Deals, Sponsorships & Investments **As NFL Star Joins List of Psychedelic-Endorsing Celebrities, are the Drugs Finally Mainstream?** August 5, 2022 via *Daily Mail* Athlete Aaron Rodgers says the South American hallucinogen ayahuasca aided his 'best season' in the NFL. He joins a growing list of celebrities and tech mavens who vaunt the psychedelics.

Crypto Companies Are Spending \$2.4 Billion on Sports Sponsorships August 5, 2022 via *Bloomberg* (subscription may be required) Crypto.com, Coinbase, and FTX are moving aggressively to match the marketing muscle of carmakers, beer brands, and other big-money advertisers.

Parity for Female Athletes: In This Case it's a Liaison for Sponsorship Dollars August 5, 2022 via *Los Angeles Times* One online sponsorship platform aims to close the pay gap in sports with one sponsored Instagram post at a time.

Sports **Serena Williams Will Be Retiring From Tennis With \$450 Million in Earnings, and Her Net Worth Has Some Incredible Numbers** August 9, 2022 via *WWD Footwear News* She's the world's highest-paid female athlete, but do you know how much Serena Williams is really worth? Williams, as reported by Sportico, will be retiring from tennis with \$450 million in earnings, topping the earnings of all female athletes worldwide.

Breaking Down LIV Golfers v. PGA Tour as They Tee Off in Federal Court August 9, 2022 via *Sportico* (subscription may be required) A court hearing on Tuesday will mark the first U.S. legal test of LIV Golf's emergence and the PGA Tour's efforts to counter its new rival.

F1 Revenues Boosted by 49 Percent as Series Emerges From COVID-19 Pandemic August 5, 2022 via *Autosport* Both seasons saw seven grands prix held during the April-June period, allowing for a useful comparison as the effects of the COVID-19 pandemic fell away. The number of races is significant as F1 divides up its revenue across the year depending on how many events are held in each quarter.

NFL Appeals Watson Suspension to Seek Tougher Punishment August 3, 2022 via *Sportico* (subscription may be required) The NFL announced it has appealed the decision to suspend Cleveland Browns quarterback Deshaun Watson for six games.

Music Biz **Inside Olivia Newton-John's \$85 Million Empire** August 8, 2022 via *Adelaide Advertiser* Esteemed actress and entertainment legend Dame Olivia Newton-John has died, leaving behind a legacy as one of the top-selling artists of her time.

'Common Decency': Beyoncé's Renaissance Sparks Debate About the Politics of Music Sampling August 5, 2022 via *Exec Review* Beyoncé removed an interpolation of Kelis's hit Milkshake from her new album and half of the U.K. Top 10 singles feature samples.

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It's big business – but who's benefitting?

Justin Timberlake Royalties to Help Back \$222 Million of Bonds *August 5, 2022 via Bloomberg (subscription may be required)* Hipgnosis Song Management is counting on chart-topping hits from the likes of Justin Timberlake, Nelly Furtado and Leonard Cohen to entice investors to its first ever music royalty-backed bond offering.

Film & TV **Ryan Reynolds' Maximum Effort Productions, FuboTV Enter Into Multi-Year, Multi-Pronged Partnership, Including First-Look Unscripted Deal** *August 8, 2022 via Business Wire* Maximum Effort Productions, a production company co-founded by Ryan Reynolds and George Dewey in 2018, and FuboTV Inc., the leading sports-first live TV streaming platform, announced a first-look deal for unscripted content.

Apple Could Ink Deal for Big Ten Streaming Rights *August 9, 2022 via Mac Rumors* Apple is in talks to secure a deal for a Big Ten college football and basketball streaming package, according to The Athletic.

CBS and NBC Reportedly In Line to Replace ESPN As Big Ten's Secondary TV Partners | Eleven Warriors *August 9, 2022 via Business Google News* According to a report by Sports Business Journal's John Ourand, CBS and NBC have emerged as the "clear" frontrunners to pick up Big Ten TV rights alongside Fox, leaving ESPN on the outside looking in.

Non-Fungible Tokens (NFTs) **Celebrities Smacked Down Over Shilling NFTs Without Legal Disclosures** *August 9, 2022 via Futurism* According to a watchdog, they're breaking the law. Shilling NFTs A consumer watchdog group has issued a stern warning to more than a dozen celebrities for promoting NFT collections without disclosing if they're profiting off of them.

Tom Brady Bought a Bored Ape NFT for \$430,000 in April. He's Lost Tens of Thousands on it Since Then. *August 8, 2022 via Business Insider* NFL quarterback Tom Brady has lost tens of thousands of dollars on his Bored Ape NFT.

NFTs Are Conquering Soccer *August 6, 2022 via Wired* On Friday, July 29, an auctioneer at Sotheby's in New York brought the hammer down on a piece of sporting history: a flying volley by the Barcelona icon Johann Cruyff in a game against Atletico Madrid in December 1973.