BYU Athletics Program

1. BYU Football. The following article was circulated by the Associated Press: "On a typical autumn Saturday, ticket sales at 65,000-seat Cougar Stadium—sold out in 34 of its last 35 games—bring in nearly $700,000. . . . Sales of programs, along with corporate advertising, concessions and other football related enterprises, may push the grand total above $900,000. 'After taxes, $750,000, I'd say, would be a realistic figure,' acknowledged Cougar athletic director Clayne Jensen. 'It produces a very substantial net profit.' If ESPN or ABC cameras are rolling, as they have for two of four home appearances this season, BYU's share is roughly another $200,000. . . . the Cougars are clearing at least $1 million a season above expenses. 'That $1 million goes a long way toward supporting our non-revenue sports—all of the women's sports and all of our men's sports, except football and basketball,' Jensen said. (*Salt Lake Tribune*, Nov. 7, 1993, p. C1, 8.)

A. Blue and White Network. "Four years ago, the Blue & White Network was born. From humble beginnings broadcasting games over the Mormon Church's satellite grid and the region's radio stations, the network now syndicates programming reaching a potential audience of 54 million households. 'We are in all 50 states with one outlet or another. Many are small, but we also are on some of the biggies,' said Jay Monsen, director of BYU's broadcast media relations. Blue & White recently signed SportsChannel America, and also has outlets in New York, Chicago and San Francisco. That growth has helped the network meet its $325,000 budget this year, the first time it has done so." (*Ibid*., p. C8.)

B. BYU Cougar Club. The BYU Cougar Club, with a membership of about 4,000 nationally, "raises about $1 million annually to fund all recruiting expenses." "The name of the whole business in athletics is effective recruiting . . . and you need resources to do that." "'My first year at BYU, I made one trip to California,' recalls LaVell Edwards, who took the helm in 1972. 'My second year I made two trips. That was it. We drove, of course, and we had to make arrangements for other coaches. Now we have coaches going to New Zealand, Samoa, and Hawaii every year. We've got guys going everywhere to recruit—you have to in order to keep up.'" The Cougar Club, which makes all this possible, is now 30 years old. (*Brigham Young Magazine*, May 1994, pp. 54-5.)

(1). In 2004, the Cougar Club membership was "just under 6,000." (*Deseret News,* March 18, 2004.)

2. BYU Athletics. In 1995, the athletic budget for BYU was $14.1 million. $11.3 million (81%) went to fund men's sports. Football expenses totaled nearly $5.4 million. The eight women's teams combined expended $2.7 million. While football is, by far, the most costly sport, it is also the biggest revenue source for BYU athletics. The Cougar football team had a 1995-96 revenue of $6.8 million. The other money-making sport, men's basketball, added $2.4 million of revenue while costing $1.5 million. Student fees pay most of the rest of the athletic costs. (*Deseret News,* Nov. 8, 1996, p. D1.)

A Ups and Downs. The year 2003 was the first year since 1998 the athletic department could report a profit. The last five years the department has been losing on average $200,000 to $600,000 annually. (*BYU NewsNet,* March 17, 2004.)

3. BYU Athletic Contract with Nike. In August of 1997, BYU began its second year as one of only 29 universities in the nation aligned with sports apparel giant Nike's Organized Team Sports division. Under this agreement, Nike makes significant contributions to BYU's football team in exchange for having the Nike "swoosh" trademark logo placed on BYU's football jerseys, helmets, coaches' shirts and shoes. By wearing the Nike logo, BYU receives home and away jerseys, home and away pants, shoes, socks, gloves, wristbands and the like. In addition, Nike sells BYU jerseys to the public, with BYU getting part of the profit for each item sold. In addition to being valuable financially, it places BYU in rather select company with the other prestigious football programs already signed up with Nike. In the first year of the contract, Nike's contribution to BYU was about $100,000. The arrangement will remain at least that profitable as long as Nike and BYU wish to continue it. (*Deseret News,* Aug. 21, 1997, p. D1.)

4. Indoor Football Facility. Plans are being formulated to build an indoor football facility and office space at BYU. While the Church no longer announces the cost of such projects, Mark Schultz, wrestling coach at BYU, told the press, “They’re talking about building a $40 million indoor facility for football, and they’re dropping wrestling!” He spoke in frustration at the decision to drop wrestling and men’s gymnastics as competitive sports at BYU. (*Salt Lake Tribune,* April 4, 1999, p. B1.)

5. BYU Head Football Coach. The head football coach at BYU, LaVell Edwards, has announced his retirement at the end of the current season. “Most of the coaches [who might be named to replace Edwards] would have to take a pay cut at BYU. The school likely could put together a package around $500,000 [a year].”

6. BYU Baseball-Softball Complex. In the reshuffle of athletic directors at BYU in June 1999, the papers revealed that a campaign is currently underway to raise funds for an $8 million baseball-softball complex to replace the inadequate facilities currently at BYU. This is in addition to the $40 million indoor football practice field and office area that was revealed by the press in April. (*Salt Lake Tribune,* June 26, 1999, p. D5.)

A. Cost of $7 Million. “Construction will begin later this year on a new, 4,000-seat baseball/softball complex, BYU officials announced. Estimated cost of the facility is $7 million. More than $2 million has been pledged toward the project. The complex, which will house both a baseball diamond for the Cougar baseball team and an adjacent softball diamond for the women’s softball team, is expected to be completed by the start of the 2001 season.” (*Deseret News,* January 18, 2000, p. D4.)

B. Larry and Gail Miller’s Contribution. The university's proposed baseball and softball complex will be dubbed Miller Park. Larry and Gail Miller made a ‘significant financial contribution’ to the $7 million project, according to a news release. The baseball field will be called Larry H. Miller Field, and the softball field will be Gail Miller Field. Hale wouldn't disclose the exact dollar figure of Miller's donation, but said the athletic department "still has to raise some money." Other contributors had already pledged $2 million before the stadium was announced last month. But the Miller donation gives the department the financial confidence to move forward. "Initially, we thought we might have to build it in phases," Hale said. "This will go ahead and allow us to build the facility for sure." Miller Park—expected to be completed by the 2001 season—will have back-to-back baseball and softball stadiums covered by a tensile- fabric structure roof. It will include such new features as stadium seating, lights, locker rooms and a press box overlooking the fields. "This will be one of the finest collegiate baseball/softball facilities in the country," Hale said. (*BYU NewsNet,* Feb. 9, 2000.)

7. BYU Athletic Complex. At LaVell Edwards’ final football game in the newly named Lavell Edwards Stadium, President Bateman announced that the school will build a $40 to $60 million athletic facility. The planned building will include a 120-yard indoor practice field, a 350-meter track, offices for coaches and administrators, training rooms and meeting rooms. The money will be raised from donors, rather than from tithing funds. (*Salt Lake Tribune,* Nov. 20, 2000.)

A. Will Cost $40-$60 Million. The field, which is expected to cost between $40 and $60 million, will include a full-sized football field, an indoor track, a weight room, offices, a reception area and a hall of fame. Nearly $20 million of the cost will go towards an endowment—money that sits in the bank. The interest off of the endowment is used to pay for the upkeep of the building. The building will not be used solely for football. The roof will be high enough for baseball, softball, soccer and football. The field will be west of the current football practice field and will take up part of that field, the road that runs behind it and the parking lot. It will be constructed as soon as donors are located. (*BYU NewsNet,* Dec. 6, 2000.)

B. Program Has Huge Competition. “Two days before Edwards announced that he would retire at the end of the season, athletic director Q. Val Hale candidly stated that the Y is searching ‘for ways to stay afloat’ in the world of intercollegiate sports. Hale, speaking at Education Week, noted that the school's $15 million athletic department budget pales in comparison with other big-time sports schools. A sampling: Ohio State, $72 million; Texas, $56 million; Florida State, $50 million; Michigan, $47 million; Penn State, $44 million; UCLA, $35 million; Stanford, $33 million.” The main options left for BYU are to increase ticket prices, charge for parking, and banning all outside food at games. (The Las Vegas *Beehive,* Aug. 14, 2000.)

C. Cost Set at $58 Million. “The Cougars have unveiled drawings and models of their proposed $58 million indoor practice facility, to be built as early as next spring on the soccer fields and parking lots west of Smith Fieldhouse in Provo. The 151,000-square-foot complex will include not only practice fields to be used by several of the BYU athletic teams, but locker rooms, a strength and conditioning area, a nutrition center and offices for the athletic administration and the Cougar Club. . . . Once the Cougs raise $20 million to pay for the first phase of the project, the practice field, construction can begin.” (*Salt Lake Tribune,* Sept. 28, 2001, p. D3.)

8. Cost of BYU Athletic Program. While very little is ever said publicly about athletic costs at BYU, a recent article provided a peek: “BYU Associate Athletic Director Duff Tittle doesn't know what he would do with an operating budget of $41 million. That's how much the University of Texas gets according to a December Fortune article. We could run our entire athletic program for three years on that budget, Tittle said. Of course the Longhorns bring in over $45 million a year from tickets, donations, advertising, concessions and other sources. That's a number Tittle only dreams of. That is, when he can sleep. After a few years of travel expenses in the 16-team WAC mega-conference and a drop in TV revenue, BYU's athletic budget was bleeding red. Rainy day funds were covering the million dollar annual deficit. But those funds are running out, according to Tittle, and it rests on his shoulders to find new revenue streams to bring the books back to the plus side. While fans may mock the corporate-sponsored extra points and plays of the game, these do pay the bills. Despite the rainy days in accounting, the sun's never been shining brighter for BYU athletics. BYU is currently ranked No. 8 in the Sear's Director's Cup, which ranks college athletic programs based on the performance of their teams. BYU is postured for its highest-ever finish in the Director's Cup. Even so, at least two BYU sports teams won't be celebrating. With the addition of softball last year and the budget bursting at the seams, something had to give, and what gave was wrestling and men's gymnastics. Men's gymnastics tumbled out of BYU's lineup this spring and wrestling is pinned as well—that is, unless fund- raising efforts for a $7 million endowment to fund the program are success-ful. . . . BYU has over 600 athletes on scholarship.” (*BYU NewsNet,* May 12, 2000.)

A. Ranks Well Nationally. “BYU's conference dominance and strong athletic program has led the Cougars to an eighth place ranking in the final winter 2000 Sears Directors' Cup Division I standings. ‘We've been in the top 25 over the last six years,’ said David Duff Tittle, associate athletic director of external relations. Last year, after the men's NCAA volleyball championship, BYU finished 12th, improving six places over their 1997-98 season 18th ranking. ‘The Sears Cup ranks overall dominance of schools across the country,’ Tittle said. ‘It tells the success of the sports program as a whole.’ Stanford University has won six of the seven Sears Cups awarded for Division I.” (*Ibid.*)

9. BYU Athletic Scholarship Project. Springville is now home to the Cougar Club's first Cougar House, which will be sold to raise money for BYU athletics. "Those proceeds are going to fund and sponsor a collegiate athlete scholarship at BYU," said Mitch McCuistion, Chairman of the Cougar House Committee. Cougar House I was built in Camelot Village, a new housing development by Wal-Mart, in Springville. The house has three bedrooms, two bathrooms and a two-car garage. It is 1,615 square feet and is listed at $182,500. The idea for Cougar House I came from a similar project done in New Mexico. The Cougar House I was built mostly from donated materials. The idea for Cougar House I began last August when the Home Builders Association learned about the Lobo House. "When we approached Val (Hale) and suggested to him that we would like to do something like the Lobo House he was all for it," McCuistion said. "We probably have 80 percent of everything donated on this project, so our goal is to make about $125,000 to $150,000 on this home," said Wayne Ross, president of ArrowStar Construction. During the press conference held Thursday, July 12, on the front lawn of

Cougar House I, Mike Middleton, BYU Cougar Club director, said, "The beautiful home you see behind me is a tribute to the generosity and skills of the Utah Valley Home Builders Association." ArrowStar is developing the subdivision where Cougar House I was built. The company donated the land for the project. ArrowStar is one of over 65 companies that donated materials for the project in exchange for publicity. Ross said he is optimistic and eager to do projects of this kind in years to come. The Cougar House will be open as part of the Utah Valley Parade of Homes. (*NewsNet,* July 16, 2001.)

10. BYU Athletic Scholarships. "BYU's athletic department took another small step Tuesday toward a long-term goal, accepting a $141,500 donation, allocated for a scholarship endowment. BYU received the proceeds from Cougar House II, a home that was built near Lehi," which was donated by the Utah Valley Home Builders Assn. "BYU gives more than 250 athletic scholarships, spread over 21 sports. Most of the minor sports divide a handful of scholarships among several athletes, with each receiving a portion. BYU athletic scholarships are worth between $10,000 and $11,000. BYU's athletic budget is $20 million. The combined cost of BYU's scholarships total $2.6 million. Through fund-raising, the university has endowed more than 30 partial or full scholarships. It would cost $50 million to endow each scholarship in perpetuity, with each costing about $200,000. BYU's athletic department has had a deficit for four of the last five years, stemming from when the Western Athletic Conference expanded to 16 teams. With more teams taking a share of the pie, BYU struggled to break even. Three years after the inception of the eight-team Mountain West, the Cougars are drawing close to making money. But with the Mountain West Conference not a part of the Bowl Championship Series (BCS), its schools continue to work at a huge disadvantage. The BCS schools get at least $10 million annually." (*Salt Lake Tribune,* July 17, 2002, p. C1.)

A. More Aggressive Fund Raising Needed. "Director Hale said he expects BYU to again begin making a profit next year. "We have to be more aggressive in our fund raising," he said. Especially with plans for a new $50 million athletic complex. BYU intends to replace its badly outdated Smith Fieldhouse with two facilities. Plans call for an indoor practice facility and a separate office complex. Construction of the project, scheduled to begin in several weeks, is expected to take a year." (*Ibid*.)

11. Cougar House III. Over the past three years, the Utah Valley Home Builders Association has committed more than a combined $400,000 towards an athletic endowment for BYU. This year's donation came from the sale of Cougar House III, built with donated materials and labor in the Traverse Mountain Development. Of the 244 BYU athletes receiving some form of a scholarship, approximately 16 are full beneficiaries of the athletic endow-ment fund. The money from the home sales is invested and the earned interest is what funds each scholarship. BYU has approximately $3 million in its endowment fund from which to draw interest. Each full scholarship, which covers tuition and room and board, is worth $10,000. While BYU athletics officials have worked hard in the past four years to boost fund-raising, the school pales in comparison to Stanford. The Cardinal athletic department is the standard for endowment excellence. Stanford draws from a fund of about $250 million, providing more than $15 million for athletic scholarships. (*Salt Lake Tribune,* July 11, 2003, p. B3.)

12. New BYU Football Facility. "BYU also is several weeks away from opening a $150 million athletic center and indoor practice facility. 'The program is very solid right now,' Hale said. 'I'm optimistic about the future. All of the pieces of the puzzle are in place now." (*Salt Lake Tribune,* Oct. 12, 2003.)

13. Academic Assistance for BYU Athletes. "But schools like USU and BYU go beyond the admissions process to get athletes all the way through. . . .At BYU, athletes are checked up on by attendance 'runners,' who physically open doors and look to see if a particular student is in class. 'We closely monitor their progress,' said E.J. Caffaro, director of BYU's Student Athletic Academic Center. . . . BYU's center, for example, now has 48 computers and 10 study rooms for athletes— up from 18 computers just one month ago. Freshmen, those with GPAs below 2.5 and transfers from junior colleges are often the biggest beneficiaries of BYU's focus on athletes."
(*Deseret News,* Feb. 23, 2004.)

14. BYU Merchandise Profitable. Collegiate-licensed product manufacturing is a booming business around the country and companies are trying to capitalize. Businesses who want to create paraphernalia that includes the name of the school — "Brigham Young University" or "BYU" — must go through a detailed licensing process, which includes obtaining permission from the school. Once a company is licensed to produce BYU merchandise, it pays a fee, then must give BYU a 7.5 percent royalty on sales. BYU requires a vigorous safeguarding of the BYU trademark. (*Deseret News,* March 18, 2004.)

A. BYU Among Top Fifty in Sales. "Sales royalties of the dark blue Cougar merchandise are giving BYU administrators reason to cheer. Despite the football team's back-to-back losing seasons, BYU sold more Cougar-related paraphernalia in 2003 than in any other year in school history, according to Brett Eden, BYU licensing and trademark specialist. And in each of the past three years, he said, sales figures were greater than the year before. Sales of BYU-related items in 2003 were 40 percent higher than they were in 1998, the last full year that royal blue apparel was sold, Eden said. Not surprisingly, officials at the private school are guarded when asked how much money entered school coffers from merchandise sales. 'Licensing revenue at BYU will never be a big strategic piece of the financial puzzle,' says John Lewis, BYU associate advancement vice president of alumni and external relations. 'That's not nearly as big here as it is at some other schools. We just want to offer products that are appealing to our fans.' It's worth noting, however, that BYU was ranked among the top 50 of the nation's universities in merchandise revenue earned from July 2002 to June 2003, as tracked by the Collegiate Licensing Co." (*Deseret News,* March 18, 2004.)

15. BYU Athletic Complex. At the open house of the new BYU indoor practice field and fitness/academic center in August 2004, we were told the following: The two buildings, and a perpetual endowment for upkeep and maintenance, came to $104 million. All of it was raised by donors. The athletic budget is now annually running at $25 million—also raised by donors, without any input from Church funds. But as a comparison, Stanford's athletic budget this year is $50 million, and many universities are way beyond that. The Cougar Club currently has 5,000 members. The minimum annual donation for membership is $100, and by giving additional amounts, other fringe benefits are added. For the biggest donors, there are private parking places, lavish box seats, monthly lunches with the coaches, and a private meeting with the athletic directors of both schools prior to a game. There is an 'honor wall' with the names and faces etched in glass. Those currently displayed include Larry H. Miller, Kevin Rollins, Ira Fulton, Alan Ashton, Jack Wheatley, and about ten others whose names I didn't recognize. In each case, the wife is shown also. "Reed and Christine" Halladay were listed, as were the Patterson family, and Frank VanderSloot and his wife, from Idaho Falls.

16. BYU Athletic Budget Deficit. Brigham Young University's athletic department lost money four of the past six years and must pay back a university fund for loans to cover the shortfalls, according to a summary of a self-study conducted last summer. The study was designed to help BYU find ways to balance the $27 million athletic budget while creating a distinctive sports program based on the values of the Church.. An executive summary of the self-audit released Tuesday provides a broad outline of a number of areas targeted for improvement. "BYU spokeswoman Carri Jenkins said the university wouldn't release any more information on athletic department debts, but sources have told the Deseret Morning News that the deficits produced in each of the four years were relatively small, in the $100,000 range down to narrowly missing breaking even." "Our goal within the next two years is to pay down and pay off that cash deficit." At the same time, the study urges the department to bring salaries for coaches into line with what other Mountain West Conference coaches earn and to cut down on the commercialization at LaVell Edwards Stadium and the Marriott Center. The study raised the specter of reducing the number of sports from 21 if deficits continue. "If BYU wants to participate at the level it is and with the number of sports it has, the area they have to do better is fund-raising," former athletic director Van Hale said. "They need to generate about another $1 million a year." (*Deseret Morning News,* January 12, 2005.)

17. Cougar House V. Over the last five years, the partnership with the Utah Valley Home Builders Association (UVHBA) has generated more than $700,000 for BYU. A portion of the funds from Cougar House V will go to purchase the new white helmets the football team will wear in 2005. (*Byucougars.com;* June 30,

2005.)

18. Cougar House VI. "Cougar House VI, a house built and sold in order to raise funds for BYU athletics, was opened Thursday May 4, 2006 in Eagle Mountain. Cougar Houses are a different kind of fundraiser; instead of bake sales or raffles, BYU has opted to sell houses, and the sale of Cougar House VI is projected to raise $260,221. Including the money from the sale of Cougar House VI, the total Cougar House project will have raised approximately $878,000 for BYU Athletics." (*BYU NewsNet,* May 8, 2006.)

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