

NATIONAL PRESS CLUB LUNCHEON WITH CATHY ENGELBERT,  
WNBA COMMISSIONER

SUBJECT: VISIONS AND GOALS FOR THE LEAGUE

MODERATOR: MICHAEL FREEDMAN OF THE NATIONAL PRESS CLUB

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**MICHAEL FREEDMAN:** Good afternoon, and welcome to the National Press  
Club, the world's leading organization for journalists. My name is Michael Freedman, and I  
am the 113<sup>th</sup> president of the National Press Club. I'm the former general manager at CBS  
Radio Network, now journalist-in-residence at University of Maryland-Global Campus, and  
executive producer of the Public Broadcasting series, *The Kalb Report*, with the legendary  
Marvin Kalb.

We have a superb program ahead, and we invite you to listen, watch or follow along  
on Twitter, using #NPCLive. For our C-SPAN livestream and Public Radio listeners and  
viewers, please be aware that in the audience today are members of the general public so any  
applause or reaction that you may hear is not necessarily from the working press.

Let's begin by introducing our center head table. I ask you to please hold your  
applause until all of our table guests have been announced. Now on stage with us is Cathy  
Engelbert, WNBA Commissioner; Ted Leonsis, founder, chairman and CEO of Monumental  
Sports and Entertainment; Sheila C. Johnson, vice chair of Monumental Sports and

Entertainment, and president and managing partner of the WNBA's Washington Mystics; Mike Thibault, head coach and general manager of the WNBA's champion Washington Mystics; Bill Lord, former news director and general manager of WJLA Television; Kevin Wensing, Captain, US Navy, retired; and Gene Wang, sports reporter for the *Washington Post*.

Can we have a round of applause? [applause] Thank you.

Also in our audience today are several members of the WNBA champion Washington Mystics team and staff, and some special guests. So please welcome Ketsia Colimon of Monumental; Dina Skokos of the WNBA; Ariel Atkins, guard, player with the champion Mystics [applause]; Allison Barber, president of the Indiana Fever organization; Alycen McAuley, senior vice president, team services for Monumental; and Gena Gatewood, director of communications for Monumental.

I would also like to acknowledge members of the Headliners Team responsible for organizing today's luncheon: Our co-leaders Lori Russo of Stanton Communications, Donna Leinwand Leger of DC Media Strategies; and National Press Club Managers Lindsay Underwood and Laura Coker; Chef Susan Delbert; and executive director Bill McCarren. Thank you all.

Catherine Engelbert enrolled at Lehigh University as a lacrosse recruit. She also tried out as a walk-on for the top tier women's basketball team as a guard in her freshman year. Three years later, she was captain of both teams. In her senior year, the basketball team won the East Coast Conference championship and Ms Engelbert was named Most Valuable Player of the tournament.

She graduated in 1986 with a degree in accounting, and at a time when there was no professional path for talented women basketball players; the Women's National Basketball Association would not come in to being for another decade. So Ms Engelbert took her newly minted degree to the Big Four accounting firm Deloitte and Touche, where she worked for the next 33 years. And just as she did on her college teams, she rose through the ranks to lead, becoming the first woman CEO at Deloitte and the leader of its 100,000 employees.

In a recent appearance back at Lehigh, she was quoted as saying, "I think when you play college athletics, you don't know until years later, but it creates leadership skills." College sports, she said, taught her how to be tactical.

Last July, Cathy Engelbert returned to basketball, this time as the first commissioner of the now-23-year-old 12-team Women's National Basketball Association. She joined the league at a challenging time. The players' union had opted out of its collective bargaining agreement in 2018 and the top players took to social media to draw attention to what they termed lagging pay, poor benefits, and second-rate travel accommodations.

Ms Engelbert was at the helm when the players signed a new, groundbreaking collective bargaining agreement in mid-January that increased salaries, upgraded travel, and strengthened maternity benefits.

She also announced another big change – funding for a marketing plan intended to launch the WNBA's best players into superstardom and to become household names. Ms Engelbert told Yahoo! Finance last month she intends to, "change the way people look at women's team sports since less than 4% of all media covers women's sports, and less than 1% of all corporate sponsorship dollars globally go to women's sports."

Cathy Engelbert, welcome to the National Press Club. [applause]

**CATHY ENGELBERT:** Thank you, Michael. Thank you.

**MR. FREEDMAN:** Seated next to the commissioner is one of the people in Washington who likely does not require an introduction. Ted Leonsis, Internet industry pioneer, who helped build AOL into a global phenomenon, he is the founder, chairman, majority owner and CEO of Monumental Sports and Entertainment, who simply keeps collecting trophies for what we now call Washington, DC, the District of Champions. We are proud to have on display today the 2019 WNBA championship trophy won by Ted's Washington Mystics. His Washington Capitals delivered the 2018 National Hockey League Stanley Cup to the District. And his Washington Valor team won the Arena Football League's 2018 championship. Among his other teams are, of course, the NBA's Washington Wizards and the NBA G League's Capital City Go-go. Ted Leonsis, welcome back to the National Press Club. [applause]

Before we begin our conversation, both Cathy and Ted have asked for a moment to offer some opening comments. Cathy, the floor is yours, if you would like.

**MS ENGELBERT:** So a lot of people ask me, why did you take this job as WNBA commissioner after 33 years in business? And as I was wrapping up a term as CEO – you actually have terms that end – in June, I was thinking I really wanted to do something different, something with a women's leadership platform and something I had a passion for. And I got a call that the NBA was looking for a female business leader with a passion for the game, and so it really seemed like a fit. Originally, I didn't think I'd ever be the commissioner of the WNBA, but I looked at the challenges of the players opting out of the collective bargaining agreement – and I've never been one to shy away from challenges – and I really felt that this could be a huge women's leadership platform where I could make an impact. Because there were other jobs certainly out there that were interesting to me as well, but this was one where it brought me back to my roots.

My father was drafted by the Detroit Pistons in 1957, back when the one-year salary for a rookie in the NBA was \$900. [laughter] And he ended up getting a job with a company

called RCA for about \$2000 and took that, because back then you could not really make a living in the NBA. How times have changed.

So this brought me back a little bit to my roots. My father played for now-Naismith Hall of Fame coach Dr. Jack Ramsey. I played for now-Naismith Hall of Fame coach Muffet McGraw; in college she was my coach for four years. So you might say I had a little bit of basketball DNA that brought me back to the game. And I'm so proud to be representing these diverse, elite professional women athletes with this platform to honestly not just change women's sports, women's team sports, but hopefully make an impact on women in society.

**MR. FREEDMAN:** Terrific, thank you. Ted Leonsis, would you like to offer an opening comment?

**TED LEONSIS:** Sure. We're in Washington, DC, the most powerful and important city on earth. I believe the social responsibility in owning teams, we punch way above our weight and we have to be true exemplars to not only our community, but to the industry at large. I'm very proud of Monumental. Sheila Johnson who's here is one of our owners. She's the only African American woman to own hockey teams, basketball teams, NBA franchises. Laurene Powell Jobs is one of our owners. Michelle Freeman. So we made sure that we had a diverse view and wanted to make the right kind of commitment to women's sports. And being able to hire someone like Mike Thibault, who's the winningest coach in WNBA history [applause], working with our city, Mayor Bowser.

We had something historic happen last year. We moved into this brand new building that's helping to uplift a new area in the city, in Ward 8. And we moved in and we sell out the games, and we win a championship in the first year. And Cathy's first official act is to present us with the championship trophy. And so it felt like something really good and important happened here in Washington, DC.

**MR. FREEDMAN:** Very good, thank you. Cathy, tell us about the transition into your new role and whether being commissioner is different than president, the title of your predecessors.

**MS ENGELBERT:** Yeah, it's a great question. So the transition has been interesting to me. I used to worry about the things that everybody here in Washington worries about – tax and trade and the future of work and the future of mobility, and the things evolving in technology in my old job of leading a firm of 100,000 people who were being disrupted. And it was all about relationships. So the similarity is, I come over to run a sports league and it's all about relationships. Sports is big business; big business is about relationships. So that transition hasn't been as different as I thought.

I hopefully ran a very people-first agenda at Deloitte, putting in a groundbreaking family leave policy, et cetera, and now running a very people-first agenda, player-first agenda at the WNBA. So that, Michael, was really important to me, especially with the

players having opted out of the collective bargaining agreement, is build trust, build relationships with players and owners. And the owners couldn't have been more supportive of me coming into the role and helping us be successful because you needed long-term labor peace in order for this league to be successful. And that's what we got with a very player-first agenda.

Now, commissioner title? I am never into titles. In fact, people are like, "You must have always dreamed to be the CEO or commissioner." Never. And so – I know we have some students here – I always tell students: never aspire to a box or title; aspire to lead. And when Adam Silver, commissioner of the NBA, called me to say, "We're going to make you a commissioner," I said, "That's interesting. But I'm not into titles, Adam. So if you're doing that for me, I'm already in." And he said, "No, this is a signal that this is a major professional sports league. And guess what? Major professional sports leagues have commissioners."

And it gives me a seat at the table. It's an empowering position. And it's been very helpful, I'd say, in, again, effecting a major transformation of the only women's professional sports league to be around over two decades. Again, with the help of the owners, the players, and certainly the NBA and basically the ecosystem that supports women's basketball.

**MR. LEONSIS:** Commissioners are way more important than presidents and CEOs and, frankly, owners. Because their focus is to do what's in the best interest of the game. And the game is the players, the employees, the fans, the community. And they have to be empowered to be able to take the big picture and say, "How am I going to build value for all of those communities?"

In the past, we had presidents who reported to the commissioner of the NBA. And if we wanted to have equal footing, if we wanted to say that the WNBA could be as important one day as the NBA or the NHL, you need to have a leader who's empowered and has the same powers as Adam Silver or Gary Bettman or whoever is leading the other professional sports leagues.

And in essence, I asked Cathy, "Who do you report to?" Previously people would say, "I report to Adam." And she reports to the game itself – the players, the owners. And that's the biggest change that I've seen in this pivot that the WNBA's undertaken.

**MS ENGELBERT:** Having said all that, a fun part is my kids think I'm cool now. [laughter] They didn't think I was cool before, but my 18-year-old son goes, "Mom, you're commissioner. Like there's no other commissioner of women's basketball pro league out there. You're cool!"

**MR. FREEDMAN:** You're the picture of hitting the ground running. How does the job itself compare with your expectations for the job?

**MS ENGELBERT:** Yeah, that's another interesting question. Because when you run

a firm of 100,000 people, there's always something changing every day. You come in to run a league of 144 diverse, elite players, and guess what? It's still really interesting how fast the game has moved. Again, coming in, having to negotiate a collective bargaining agreement was really important. Again, people-first agenda. It wasn't just about pay, but that was pretty important as I flew around the country in our 12 markets. We're a small league because you're 12 markets. So that's an advantage and a disadvantage.

It's a disadvantage to scale across a fan base across the United States of America. We don't have a team in the Bay Area. And when technology's driving so much of your economy and you don't have a team in the tech center of your country, that's a disadvantage. But an advantage is the fan bases in these 12 markets that I was able to get to meet – the owners and the support, the general managers, the COOs, the players. Again, the fans; I met with fans in each market. It was really interesting the stories I could glean.

So when we came back after the season was over, after the Washington Mystics won the WNBA championship in October, I could sit down and really think about what does this league look like in the next five to ten years? Because that was important. If you're going to negotiate a long-term labor peace agreement – and this is an eight-year agreement – you've got to have a vision of where you're taking the league. And we need an economic model because of what Michael quoted in the beginning, that less than 1% of all corporate sponsorship dollars go to women's sports. I didn't know that when I came in. That was probably the biggest surprise. And less than 4% of all media coverage covers women's sports? Like, really? I came from a world where we only had 5% women CEOs in the Fortune 500. So that was surprising to me.

I've kind of followed tennis and followed individual sports, and individual team sports for women actually get decent coverage. But team sports get very little coverage. And so, having had the accounting and finance background I asked for, okay, when we look at this 4%/1%, what's the numerator and denominator? And how much do you have to move them to move that 1% to 5%? And that 4% to 10%? Guess what? The denominator's huge on both of those statistics, because men's sport rule the world.

And so, that's probably the most surprising thing, is how hard it's going to be to move those. But again, the confidence we were able to get through our owners, through our players, through the collective bargaining agreement long-term labor peace, and just taking advantage of this momentum around a women's empowerment movement that we all feel every day. Hopefully we do. And this being March, the beginning of March being women's history month, and Sunday is International Women's Day, this is a time to take advantage of it. Really important that we all support women's sports as much as Sheila and Ted and the Mystics and the Monumental organization have.

So we see more people stepping up and saying, "How can we help?" And that's exceeded my expectation. But the ecosystem around media and sponsorships? That's the negative. And we've got to drive those up.

**MR. FREEDMAN:** So a question for both of you based on everything you've just said. Ted, as an owner, and Cathy, as commissioner, how do you measure success in this league?

**MR. LEONISIS:** Well, from an ownership standpoint, it has to be on, does your team have value? Does it matter to the fans? Does it matter to the community? And economically, will you, over the long term, see accretion is the money that you've put in? Will it be worth more 10 years, 20 years, 30 years from now? To be sincere, to date that hasn't happened. And that's why I think we've reached this existential moment in development and we needed a new leader and a new viewpoint. We had a team in New York who was for sale, and no one would buy it. That was a very, very bad signal when you look across other leagues and how quickly teams get sold and at what kind of multiple.

And so, many of us got involved and said, this is making no sense. The media's kind of a part of this. Media is struggling to grow. More than 50% of the audience is female. I'm chairman of the media committee for the NBA, and would meet with all of the partners and luckily ESPN, CBS, they kind of got it and they've done deals with us. But we have to push so much with local radio, local media to get coverage. And so, if you're not in that mainstream, it's hard to build the value.

And so, what I look at is, can we sell out? Do we get media coverage? Are we important? And if we do those things over a 20-year period, we'll build value. If you're in this for the short haul, this is not a good place to be. You have to have partners, fellow owners that really believe in kind of the overall righteousness of the model, that there's more men than women. We want to present ourselves as being healthy as an organization, as a league. And for us not to be supporting in the same way women's sports as we do men's sports is bad business. It's not just the wrong thing to do as a dad or a leader; it makes no economic sense.

And so, I think there is great, great upside from a business standpoint. And if we can show that value is being created, we'll be able to expand. We'll get into other cities. We'll bring in other great ownership groups. And we'll get that spiral going up.

Second thing I'll say is that the league is a baby. The NHL is over 100 years old. The NBA was created to fill the nights that the NHL wasn't playing in most of the big markets. We're probably ahead historically in our development, our fan avidity, our reach than the NBA was after 23 years.

And so, if you take kind of the 40,000-foot view, we're kind of happy with where we are. I'm very happy as a leader in sports management in our market, that we've made this big, big decision – let's really go for it now. Fellow owners in the league had this "go big or go home" kind of mantra, and that started with, who's going to lead us? Who can we attract and say, this is serious business, and this is important to the community? And that's why we ended up with such a fantastic leader with Cathy.

**MS ENGELBERT:** Yeah, Michael, I'll add. I've been a historian of the game for a long time because of my father being a basketball player. And 40 years in to the NBA – so this is to Ted's second point, that we're somewhat in our infancy at the W – 40 years in, the NBA was on tape delay. The NBA finals were on tape delay.

**MR. LEONSIS:** With Magic Johnson.

**MS ENGELBERT:** Watching it at eleven o'clock at night on the East Coast, on tape delay. And there weren't big media contracts, there weren't big household names. And 40 years in, you know who saved the NBA, was one big rivalry – Magic Johnson and Larry Bird, Boston to LA, coming out of a big rivalry in college with Indiana State and Michigan State. And they became these household names. And a couple years later, Michael Jordan came along. And then that was a marketing phenom which the NBA and Nike helped drive. And then the big media contracts.

So it's apropos that I'm here at the National Press Club today because as you think about it, we're tipping off our 24<sup>th</sup> season in May, and as Ted says, this is about driving the value. First of all, it's about a player-first agenda, and second– so I have three pillars: player-first agenda, owner and team success, and fan engagement. We've got to track new fans, and more of fans. We've got to obviously always think about– I tell my team: if it's not a player impactful program that we're transforming in this league, don't bring it to me. But owner and team success is important, too.

I mean, I was hired because of my business and finance background, to effect a transformation so that we can drive franchise values up. So the metrics that are used on the men's side – this drives me a little bit crazy – whenever someone's valuing a WNBA asset, guess what? It gets put into a spreadsheet or an algorithm that values a man's asset. And so, my goal is to drive a different way of looking at valuing our assets – whether it's a patch, a placement on the court. Because it's being driven in a male model.

So we need to find different ways, a lot of qualitative ways. Ariel Atkins is here, a fabulous, elite player, socially conscious, community-minded. Sixty percent of all household purchasing decisions – and maybe it's 80% – are made or influenced by a woman. And so, when you have that narrative with companies and they want to invest in a diversity and inclusion platform, and women who are diverse and socially conscious and community-minded, and, by the way, the most elite athletes at their craft in the world, that's a better metric to use to value what the WNBA means in society today and how we can lead on social issues, social justice.

We have one of the best players in the WNBA, Maya Moore, taking her second year off working on prison reform and working on a kind of social justice. We have Natasha Cloud here in this market who works on gun control reform. We've got opioid awareness. We've got so many social issues in our society that the WNBA players want to lead on, and

are leading on, but that doesn't get any credit in these spreadsheets. So my new quote is: No spreadsheet ever yielded a good answer for the WNBA, or for women for that matter.

So we need to get ourselves out of the spreadsheets and have the right narrative to drive the business, drive the valuations of franchises up, drive— our free agency period that just has been occurring has created some— I think is going to create some big rivalries. And then we need to drive household names. But we need the help of both the press and the corporate and the media for marketing, marketing, marketing, as I keep talking about.

**MR. FREEDMAN:** This year, we have already lost two giants of basketball – Kobe Bryant, who was outspoken in his support of the WNBA; and former NBA commissioner David Stern, whose vision led to the creation of the WNBA. Could you both talk about their impact and their legacies, and perhaps what some of the important lessons of their leadership and vision are for you?

**MR. LEONSIS:** Well, David Stern really was the godfather of the WNBA. And unless you've been on the other side of a phone call with David, you wouldn't understand how important it was to him and how those who didn't get it were dumb, were stupid, were idiots. And he meant that with every fiber. And he was absolutely right. I mean, he'd ask me all the time, he said, "Who do you love more, your son or your daughter?" "I love them both equally!" "Then spend as much time with your WNBA team as your NBA team." That was a pretty simple, easy-to-understand formula.

So David had great, great vision. Adam has taken that vision not only from a "do the right thing the right way," but from a business standpoint. And we are following that here in DC, that basketball is the most beautiful game. It is the ascendant sport. We have the greatest athletes. And we want to have year-round programming. That's how I look at it as head of the media committee. We want to be able to provide our network partners with 24/7, 12-month-a-year programming. We've got WNBA, we've got G League, we've got e-sports, we've got NBA. We go across the board as a platform, which is so important in Cathy's note that we don't have a team in Silicon Valley is a strategic hole for us right now.

Peter Guber is one of my closest friends. He's one of the owners of Golden State. We're begging him "now's the time." They're very interested in it, but they understand platforms, and then you have applications on the platforms. Well, basketball, NBA is a platform. And WNBA is great programming. We should be able to leverage the NBA infrastructure where we can. We have markets that owned by independents; they should be able to get some uplift from the kind of promotion we can do across the league.

And my belief is that David had that vision 25 years ago, that you want to be able to reach all audiences at all parts of the year, and leverage kind of your basketball infrastructure to be able to bring the game to everyone.

**MS ENGELBERT:** I'll comment on David first. Obviously, as Ted said, Ted kind of covered it all with David having the vision for the league. Coming off, by the way, the 1996 Olympics where the US Women's National Basketball Team won the gold medal. By the way, fast forward, here we are in 2020. The US Women's National Team is going for their seventh consecutive gold medal in Tokyo this year, coming off of that '96 win. So David's vision really has— and by the way, the rest of the world is getting good, too. We have 20 players from 13 countries in the WNBA. So we're global as well. And not quite as much as the NBA, but really becoming global and really driving women and girls' basketball to a higher level. So David gets huge credit and kudos for that.

Now Kobe, obviously, if you watched the memorial service or read about the memorial service for Kobe Bryant last Monday, you saw the first three speakers were connected to women's basketball. We had Diana Taurasi, one of the best players in the history of the WNBA speak. We had a next-generation player, Sabrina Ionescu, from the University of Oregon, who will be in our draft this year; she spoke. And then Geno Auriemma, obviously a Naismith Hall of Fame coach from U-Conn women basketball program.

So Kobe's legacy as an advocate for our sport, the WNBA— and I didn't even realize how much he was mentoring our WNBA players. And college players, girls' basketball college players. And Adam at the NBA All-Star weekend in Chicago told a story about, he was in China with Kobe back in, I guess it was late last summer, August. And Kobe said, "I don't want to talk about the NBA; I want to talk about the WNBA and I want to meet the new commissioner." And Adam texted me right away: "Kobe Bryant would like to come see you." And I'm looking at my phone like, this is an interesting job; Kobe Bryant wants to come see me! [laughter] This is kind of cool. I can't wait to tell my five brothers this.

And Kobe flew to New York. He was supposed to spend an hour; we spent three hours. He walked in the room and the first thing he said — this was shortly after the Mystics won the WNBA championship — and he said, "I spend three hours a day on girls' basketball and I love it." He was a real advocate. It was real. He wanted to help. He wanted to learn what my strategy was, what transformation — "What are you transforming? How are you going to do it? How are you going to get the funding?" Lots of questions. Very curious about how we were going to do it.

And unfortunately, obviously, a couple months later, the tragic crash. We are obviously going to stay very close to that advocacy. And there's some NBA players, I think, who are now interested in stepping into those shoes, which we're happy to hear. But also we're going to honor the three girls lost in that helicopter at our draft on April 17<sup>th</sup> — Gigi, Payton and Alyssa. And we're going to find other ways to honor Kobe and make sure that his advocacy stays alive. Because there's no doubt that Vanessa Bryant, putting together that memorial service, was looking for women's basketball and the WNBA to be front and center.

**MR. LEONSIS:** Sheila just wrote a wonderful eulogy on her blog about Kobe. "Bald don't lie," that's an expression that players talk about, that a player knows a player. And Kobe, who was a workaholic, champion, scored 81 points one game, his last game drops the mic and scores 60, he was a baller. And when he goes on record as saying, "I think Elena Delle Donne could play." That's so different than a radio host or a local writer saying, "Women's basketball, that's not real basketball."

So his giving permission to everyone to say these are some of the greatest athletes in the world, and that you can start to have this cross-pollination. We hired an active WNBA player, Kristi Toliver, to be an assistant coach with the Wizards. We had a player who mentored under Mike, who became a color analyst, the first color analyst in the NBA, and now she left and she's a coach for the Boston Celtics. And just putting that gravitas, that imprimatur that these women are great athletes, they can be great coaches, they can be great color analysts, that's unbelievably positive for the NBA. You have more talent to choose from.

And we talk about diversity in all of our businesses, and that's a living embodiment of the power of that, of not being exclusionary, of being inclusive. And Kobe doing that, because he was so respected, and now we have to find other people to fill those shoes because he really put that imprimatur of permission, that the women are great, great athletes and great players. Don't do this to be nice, do this because this is about basketball.

**MR. FREEDMAN:** Cathy, you mentioned the Tokyo Olympics. Does the timing of the Tokyo Olympics pose any challenges to the league and your season?

**MS ENGELBERT:** Yeah, I think there's, I call it advantages and disadvantages. We actually take a month off to support not just our USAB women's national team in Tokyo, but also we've got those other 20 players playing for Australia and Canada and Russia and China. But obviously, all WNBA players on the USAB women's national team. We also have 3x3 for the first time; three-on-three basketball for the first time in the Olympics this year; those will be WNBA players as well. And what's interesting, the number one most popular urban sport in the world is three-on-three basketball; so, to your point about basketball leading in sports in the world.

The disadvantages: we take a month off. The advantages: – and this is where we need to work on the cross-marketing – that we market coming out of the Olympics and hopefully the US team's seventh consecutive gold medal into the retip of our season in August. And we, through the collective bargaining agreement, where we partnered with the players – and this is partially the players' idea – are introducing a new, special competition this year called the WNBA Commissioner's Cup. And this is a new asset for us that will launch– we've designated 60 regular season games in the first half of the season. And so, the Western Conference and Eastern Conference, when they play each other, they'll earn points. And the Western Conference/Eastern Conference Division winners for the Cup points coming off the Olympic break will play a new competition called the Commissioner's Cup on August 14<sup>th</sup>.

And so, we're really excited that about. And hopefully coming off of a seventh consecutive gold medal honor the US team, part of the victory tour, restart the WNBA season. So there's advantages and we're going to be coming off here in March a hugely, I think, successful women's NCAA March Madness and Final Four, leading into our draft in April, the tip of the season in May, the Olympics in July, the retip, the Commissioner's Cup.

So we're trying to turn this into an advantage of taking that month off.

**MR. FREEDMAN:** And are there lessons to be taken away from the success of the US Women's Soccer Team?

**MS ENGELBERT:** Yes, certainly the moment that we all lived off of last summer, off the success of the US Women's National Soccer Team and the World Cup. I've kind of been careful about that because we can take advantage of that moment and the momentum that the W has and the movement around women's empowerment, but the World Cup's on once every four years, the Olympics is once every four years. And that's why it was so important to me as we did the collective bargaining agreement, this is a league that plays every year. So we can get the uplift off of things like World Cup and Olympics, but those are once every four years. You have to drive a sustainable, economic business model and put the best level of players and play on the court year in, year out, month in, month out. And that's why it's important to kind of look at it all together.

**MR. LEONSIS:** I have a little bit different point of view. It's not like the Olympics are a nonprofit, who are organized to help sell the game. In the NBA, it's convenient, it's the off-season. And so, players can go in the Olympics and the cost, the price you pay is they get worn out a little bit, or someone might get injured. Which has happened. And the NHL, it's not a good deal. We shut down for a long time and you send billions of dollars of contracted players to play some place. And sometimes the games are shown live at four o'clock in the morning. And you say, Why are we doing this? And then a player gets injured and you say the balance here is not a positive one. I think right now for women's sports, the more exposure you can get— but it's not like the Olympic Committee allows us to stream Elena Delle Donne in her Olympic uniform's highlights to our fans, or we get anything out of it.

So I think there's going to have to be a reshaping of what the relationship is between the professional leagues and the Olympics. And we're going to have a very, very big decision, all of us, come the Japanese Olympics. We were joking coming in – we were shaking each others' hands and then we said, "Oh, we shouldn't be doing that!" The NBA just sent out an email: Don't high-five other players. Touch elbows. And this is something that we haven't faced before. We have to be in it together. We're going to go to the Olympics. We're going to take the lead there, but then the unions and the players, they're all going to have to get together to come to a collective decision. And it's not our league. So we will send our players, the best players in the world, to the Olympics to play for someone else's for-profit business. It's not as simple and crisp a decision as you would think.

**MR. FREEDMAN:** And of course, we're talking about the coronavirus concerns here. Talk a little bit more about your monitoring and your planning on this front.

**MS ENGELBERT:** On corona?

**MR. FREEDMAN:** Yeah.

**MS ENGELBERT:** Yeah, so obviously I'm on the task force at the NBA/WNBA around this scenario— well, I call it more scenario planning and monitoring around COVID-19, which is the coronavirus, is how we refer to it. There's a lot to think about. Obviously, NBA's in season, the G League's in season. I'm sure Ted's getting a view of the NHL, too, in season. WNBA, we're off season, but we have 70 players playing outside the US right now. Luckily, the China league had been on break over the holidays into January and never restarted because of corona. So we don't have any players in China, but we have players in Russia and Australia, in the EuroLeague; the EuroCup for women's basketball is going on right now.

So monitoring that. Monitoring any kind of public events – as it relates to the Olympics, as it relates to our draft where we'll have fans there for the first time in a few years in New York at our draft. So lots of things to think about. Not as urgent, I think, as on the NBA side because of obviously we're in season with tens of thousands of people in our arenas every night.

**MR. FREEDMAN:** Let's talk about your fan base a bit. In the terrific film, *A League of Their Own*, the members of the All-American Girls' Professional Baseball League go to some great lengths to draw attention to their stars and their games. Who's most interested in the WNBA? Women? Men? What are the demographics and what do you see as the next phase of developing your base?

**MS ENGELBERT:** Yeah, it's a great question because obviously in order to drive value and all the metrics that are used around ratings and attendance and all the other metrics that are used and those algorithms I talked about earlier, having full arenas is really important. It's important for the look on TV, it's important to the players that those fans have an experience so they come back. That's why what Ted has done here in Washington in selling out the arena in Ward 8 is really interesting. It's as smaller arena, but the fan experience for Game 5, the deciding game in the WNBA finals was amazing. I was there.

And so, we need to attract more fans, there's no doubt about that; more diverse fans. I think we have the most avid, rabid fans I've ever experienced in sport, having met with them on my 12-city tour. But we need more of them because we need more exposure that the state of the game— when I talked about my three pillars of player-first, owner and team success, and fan engagement, the foundation on all that's built is the game. And the quality of the game is amazing. Anybody I've brought to a game this year who never saw one before said,

"Wow, this is great basketball. A purer form of the game." They don't play obviously above the rim like the men's game, but purists in basketball love it.

We definitely have a daddy/daughter crowd. So this #GirlDad that went viral because of Kobe's passing and an ESPN reporter talking about Kobe referring to himself as a Girl Dad will be something we play off of, too, because we do already have dads and daughters. But we'll probably do something leading up to Father's Day around that.

And just trying, again, to attract more people so that— I have people come up to me who have daughters, men that I used to work with at Deloitte who have daughters and say, "I want the first professional basketball game my daughter goes to to be the WNBA, not the NBA. Because I want her to see the role models of the WNBA players." So it's important that we continue to market the league to that fan base.

But we need more digital natives, younger fans. We need to give them a better fan experience. When they're in market, we need better merch, merchandise. I realize whenever I talk to a fan group, their number one complaint is we don't have enough WNBA merchandise.

**MR. LEONSIS:** Hoodies, we need more hoodies!

**MS ENGELBERT:** I come from the corporate world where merch wasn't even on my list, and now it's like number one on the list for the fans. So all of this is important because that's all part of the marketing. Like Kobe Bryant, when he came in to the WNBA offices, we gave him a swag bag. That's what you do in sports. And we gave him this orange hoodie with the WNBA logo on it. The last picture, or one of the last pictures of he and Gigi are courtside at a Lakers game and he wore the orange hoodie I gave him. That's important to our fans; like they see someone repping the WNBA logo.

And so, we've got to get more fans attracted into the game. And I think we've rebranded, we have a new logo, a woman with a bun. And just more reflective of, again, what we're trying to market as a progressively [45:19] stance for the power of women.

**MR. LEONSIS:** The WNBA is so much more on trend than, let's say, the NFL. And frankly even baseball. If you just look at demography, more people leaving the middle and rural parts of the country and moving into big cities. Why are they coming into big cities? Because of universities. And so, there's this notion of Millennials, Gen Z, digitally native, diverse, I would say an embracing of community that previous generations didn't have.

And so, it's such a great marketing opportunity for sponsors to be authentic, to reach people who are the next decision-makers, who will have the disposable income. And you can do it in a concentrated media area – Washington, DC, New York. It just makes so much sense to me from a business standpoint that this is a place where we should be investing. We talked about Ariel who's here, and I said she's like a walking poster child for everything that

a marketer would want to be associated with – attractive, healthy, educated, progressive, socially committed. That's who you want to be connected with. And a champion, world class. And global; plays internationally. The MVP of the championship series in the playoffs was one of our players, Emma Meesseman. She didn't grow up here; she's a global player. The MVP of the NBA was a global player – Giannis, nice Greek boy.

And so, it is so on trend. But being able to get that message out has been fallen on us. And Cathy's going to bring more marketing dollars. I joke and say, If you're such a great businessperson, all you've done is increase our expenses. [laughter] We have to make that investment to grow the game, to grow the audience.

But I don't understand why the traditional media– the media that's paying us have gotten it – ESPN, CBS. I bet you'll see an Apple computer one day, Amazon one day, Twitch more and more because they understand women make a lot of the discretionary planning and purchases. That's where you want to be if you're going to be one click away from getting an order.

But we have to have that unpaid media, the editorial side, going up on respect. And I think we'll start to see that as the media changes from being, "Well, I only want to talk about football, I only want to talk about baseball." We had that same issue here with the NHL and the Caps. Fifteen years ago, I was told no one's interested in hockey in Washington, DC. This is a football town. That's what we were told. We won the Stanley Cup, and the entire city was red, and there was three-quarters of a million people on the parade route.

So if you've ignored hockey and that audience, you made a bad media and marketing decision because it was right there. That's what I keep telling people about the Mystics. I go, this is Malibu real estate. This is beachfront property. And you're going to wake up one day and you won't be able to get tickets, all the inventory will be sold, our rights will have been negotiated over a dozen years; you'll get locked out. Get on board now.

And I know sometimes that sounds like you're selling and you're hype, but I've seen the movie before. Same with the Internet. You've been witness on the other side of it as a journalist on what happened with Google and with Facebook, how they've grown in importance and value. And Amazon. I just think that different audiences, as they mature and they hook on to something, they make it the mainstream. And that's what I think the opportunity we have is with the WNBA and women's sports.

**MR. FREEDMAN:** I just want to go back to the labor contract again. Eight years. That's a long time. How does that help the players? That speaks to investment and what you were just talking about, Ted. So tell us what this means to the players and what it means to the league and the owners.

**MS ENGELBERT:** First, maybe coming from my business world, I'll never forget, I attended this CEO roundtable a couple years ago where there was one slide for the whole

conference; it was a day-and-a-half. And it was: "the bold will win; everything must change." And it was in a business context; they were a tech company. Bold will win; everything must change.

So come over to the WNBA into collective bargaining where the owners have done a lot of the hard work of saying, "We want to go bold, we want to go big," as Ted described. And so, the collective bargaining agreement had to be long term; you need long-term labor peace in a sports league if you're trying to sell the league, especially in our somewhat infancy, 24<sup>th</sup> year tipping off.

But you also needed some bold policies in there. So I met with players and started building relationships; not anywhere they need to be, but I was new, came in mid-July, midway through the season. And met with some of the players. And some players said, "It's all about pay, Cathy." Some players said it's all about travel. Some players said it's all about the maternity benefits and family planning, and all the other things.

So we think we put together, with huge, huge help of the owners, a holistic collective bargaining agreement that took care of our players from a pay— so tripling the top pay of our top players to over half-a-million dollars, getting the average up for the first time in WNBA history to well into six figures. Taking care of them from a full maternity leave benefits package. Travel, upgraded travel; not quite where we wanted to be yet, but doing what the other men's leagues do is cost prohibitive.

So we've made these commitments and the owners are stepping up with a lot of those commitments, but so is the league. But we're also betting on the future. We're betting that we can drive more fans and more media deals and a better economic model for the teams and the owners, such that we can drive these commitments, or we can meet these commitments on a long-term basis.

But the players gave up some things as well, something we call prioritization, where we want the players, who are playing year-round and it's a toll on their bodies, and their bodies break down, and the average tenure of a WNBA player's eight years; some play much longer, some play shorter.

And so, again, looking at something for every player in this deal, whether they're a mom or they want to have a family in the future. Because if the average tenure's eight years, Michael – and they're all 98% college graduates – that means they're 30. And what do they do for the next 30 years? So another part of this was off-season employment, placing them in coaching jobs like the Wizards have with Kristi Toliver, thinking about building skills for what they do post-basketball. We've got Chinenye Ogwumike doing ESPN. We have Candace Parker, a current player, doing Turner's.

So we've got this great platform with these diverse women and I said, if any sport, front office, back office, media has diversity on their agenda, why wouldn't it be WNBA players? So we're making a big investment in that as well.

**MR. FREEDMAN:** We have about six minutes left and I have 3000 more questions for you. So I'm going to ask if we could go into a lightning round. Some of these are serious questions, some are more fun, but let's see if we can work our way through them. Sports betting, a growing trend. Does the WNBA have a position on sports betting?

**MS ENGELBERT:** Well, first, there's a lot of sports betting on the WNBA; a lot of it even happens once the game starts. So we need to protect the integrity of the game. Following the NBA's lead on that. Here's a leader in this area that we're going to play off of and make sure we get— I'm getting very educated on sports betting and how it works for the W with our current partner MGM, but how we can grow that because that's another way to grow fans and grow value to the franchise.

**MR. LEONSIS:** Yeah, it's happening, so we might as well regulate it and create jobs and create career opportunities and pay taxes and get more money into the league so during the next CBA there can be more dollars available. Nothing bad is going to happen if we're mindful of how we introduce it. And it's not like it's not happening., as if this was, "Well, no one is betting and you're trying to activate it from start." But there's \$100 billion, minimum, a year that's being bet illegally – off shore with bookies, in the Cayman Islands. And so, if we want to be a professional sports league, we need to bring that into the light of day and make it a big business.

**MR. FREEDMAN:** Ted, having you on stage, we have to cross over just for a moment to the men. Your Wizards you're building, right now we're witnessing one of the great runs in the annals of the NBA by Bradley Beal. Has this young man just hit the next plateau in his career?

**MR. LEONSIS:** He's a wonderful, talented player, but he's a better human being.

**MS ENGELBERT:** A huge advocate of the WNBA, I may add.

**MR. LEONSIS:** Came to all the games and feels like he's a part of that community. And I would say he's very unhappy, as were we, that he wasn't voted as an All-Star, which again you go, how could that be? But I'm glad that it's motivating him. There's a new NBA. We have another great player who's out injured who's also a big advocate for the WNBA in John Wall, and we hope he comes back. And next year we'll have a really, really good team.

**MR. FREEDMAN:** I had the pleasure of watching Gordie Howe when I was growing up in Detroit. How about a comment about Alex Ovechkin topping the 700 mark in goals?

**MR. LEONSIS:** Well, Alex Ovechkin got his competitive spirit and his gifts from his mother. And his mother's one of the greatest basketball players of all time. Was ranked as one of the 50 greatest athletes in Russia's history across the board. She is a killer. She also was his agent. [laughter] I've been on the other side of– I learned what "nyet" meant very quickly. [laughter]

But there's another case. Here's an international, global family. And Mom is president of a basketball team in Moscow. The family is all about sports and business. And Alex becomes this global icon. We have a great team. We sell out every game. We are the winningest team in the NHL the last 20 years, most wins. We won a Stanley Cup. And Alex Ovechkin, we watch history every day with this guy. And he scored 700 goals, and now he's got 703 like a day later. And the record that I thought was most unbreakable in pro sports, if you just went through the major leagues, was: could anyone ever catch Wayne Gretzky for goals? He had 90-plus goals one year. And all of a sudden, I think everyone is saying, this guy might get there. He's on that kind of ascension.

And so, it's honestly an honor and a thrill to have the Caps and the Wizards and the Mystics. And that the Mystics win and the Caps win every championship has to motivate the NBA team. Because now the girls trash talk to the men and say, "Hey, get with the program!" [laughter]

**MR. FREEDMAN:** Ted, is it true your high school counselor concluded you were destined to work in a grocery store?

**MR. LEONSIS:** Yes, that's one of my favorite stories. But first, because her name, God rest her soul now, was Beatrice Hoar. And she told my mom and dad I wasn't college material. Which my wife laughs at all the time because I am the clumsiest person imaginable. So yes, I got bad advice and I'm thrilled that my mom and dad pushed me to go to college. It was Georgetown.

**MR. FREEDMAN:** I'd like each of you to look at this beautiful trophy and tell us what this trophy means to each of you.

**MS ENGELBERT:** To me, it's the trophy that's won by the greatest female athletes in the world, the WNBA, 24<sup>th</sup> year. [applause]

**MR. LEONSIS:** Washington, DC, does not agree on anything. And when you win a championship, everyone – it's not red state/blue state – we're all Mystics fans, we're all Caps fans. And the other thing, for me, to be honest, it meant was, Mike Thibault is the winningest coach in WNBA history, but hadn't won a championship. And so, it was a great relief to have a historic figure now to have his résumé complete. Although Mike is motivated enough, Sheila's motivated enough; it's like, well, you don't want to rest with one. Now you have all the pressure on, how do you repeat it? Mike, what was the last time someone repeated it in the WNBA? It's been 18.

**MS ENGELBERT:** Eighteen of 23; so it was a long time ago.

**MR. LEONSIS:** So that's the kind of motivation that you want in your leadership in management. Why not us? Let's try to win it again.

**MR. FREEDMAN:** Terrific. Final question: Cathy, this year, 2020, marks the centennial of the ratification of the 19<sup>th</sup> Amendment, women's voting rights. As we continue to evolve as a society, do you feel the sense of history being made by your appointment as commissioner and the very existence of the WNBA?

**MS ENGELBERT:** Yeah, absolutely. I think the 100-year— although women of color did not get to vote 100 years ago; it was later. But we also have coming up the 50-year anniversary of Title IX, which I think is a historical moment as well that we'll celebrate in 2022 to '23. That's important. I'm a huge beneficiary of Title IX. I probably wouldn't have played basketball and lacrosse in college had it not been for Title IX. And so, I think that, again, set the foundation for these women in WNBA to succeed and this league, quite frankly, and the owners, to step up and as our foundation support a league for the long term, particularly with our long-term agreement now.

**MR. LEONSIS:** My last word is, thank you for the brand-building, to the chef, for the WNBA cookies. [applause]

**MR. FREEDMAN:** Terrific. Cathy Engelbert, Ted Leonsis, as a token of our appreciation we would like to present each of you with our famous National Press Club coffee mug. And we hope for both of you that your mug will runneth over with success.

**MS ENGELBERT:** Thank you, Michael.

**MR. FREEDMAN:** So thank you, both. Thanks to our audience here at the National Press Club, those online, on television and on radio for joining us.

Have a good afternoon. Thank you. [applause]

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