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Desser Sports Media, Inc.

Sports Media Specialists

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Who we are

Founded in 2005, Desser Sports Media, Inc. advises premiere sports organizations on some of the most important parts of their business: Media Rights, M&A, Litigation/Arbitration, and Business Development.

A primary focus for DSM is Media Rights Transactions, which are highly technical, infrequently negotiated, and ultimately hugely important to a team's bottom line and brand. You must contend with the savvy of Fortune 500 media companies that routinely acquire team rights, and which have developed a myriad of defenses designed to thwart teams from achieving fair value for rights.

We have specific and unique experience in this area, which permits us to "level the playing field." Our clients get the benefit of our collective 100+ years of sports and media experience, our extensive relationships, our deep understanding of networks, distributors, teams, and leagues, and our up to the minute knowledge of the marketplace.

Proven Track Record

In just 8 years, DSM has...

Participated in over \$24 billion of sports and media transactions

Completed over 50 transactions on behalf of rights owners

Negotiated more regional sports media deals than anyone

Doubled our average clients' annual media revenues

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Engagement: LA Lakers -- Rights Transaction

The largest in North American Sports History

DSM guided the Lakers through a three year planning and negotiation process for a new English radio flagship, radio network, a Spanish radio flagship and the signing of a new landmark TV agreement--each at a substantial revenue increase.

The Lakers' 20-year agreement with Time Warner Cable will dramatically change the Southern California TV landscape, launching two new RSNs, including the first ever Spanish-language RSN.

“Ed and his team worked closely with us to fully understand our needs, educate us on the business, and provide us with our ideal media situation.”

-Jeanie Buss, Executive Vice President, Los Angeles Lakers



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Engagement: Rockets/Astros--New Houston RSN

Teams as majority owners of new Comcast-branded network

The new Comcast SportsNet Houston will serve sports fans throughout a five state region. DSM was involved from the very beginning, helping to shape the HRSN partnership between the Astros and the Rockets. DSM helped guide the eventual agreement with Comcast to form the RSN, majority-owned by the two teams.

DSM helped to craft a strategy that included a business plan, a strategy to confront Fox's back-end rights provisions and guidance in negotiations with partners and distributors. Shortly thereafter, DSM also provided M&A assistance to the purchasers of the Astros.



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Engagement – Maple Leaf Sports + Entertainment Shrewd Media Rights Strategy leads to Company Sale

DSM led a team of senior Maple Leaf Sports and Entertainment executives through multiple assessments of media options for the four teams and three networks, to select strategies for game allocation, media partners, and key deal points over a four year period.

This strategy created substantial leverage for MLSE, resulting in dramatic increases in team rights fees, distribution and dramatic license fee growth for the company-owned TV networks, generating a major increases in enterprise value.

In 2011, these strategies resulted in the creation of a JV between arch-rivals Bell Media and Rogers Communications to a multi-\$billion long-term purchase of team media rights and a majority interest in MLSE.



MAPLE LEAF SPORTS + ENTERTAINMENT

“Ed Desser is the best negotiator in the business.”
Larry Tanenbaum, Chairman of the Board, MLSE

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Engagements: LA Dodgers DSM Represents MLB, Fox, a Buyer, and TWC



The sports business is often unpredictable, and industry veterans must often adapt to unique situations. An example was the Los Angeles Dodgers bankruptcy, sale and TV deal. Based on our unique experience and professional independence, DSM was engaged five separate times in connection with the high profile process:



Major League Baseball retained Ed Desser as an Expert Witness



Fox hired Desser to testify in court about the Dodgers amended telecast rights licensing procedures



The Joe Torre/Rick Caruso group asked DSM to assess the value of the Dodgers media rights, and develop a strategy to optimize them



TWC had DSM help it negotiate the media deal with The Dodgers

Other Selected Recent Projects/Transactions

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- AEG: LA Live TV, LA RSN Business Plans
 - California Interscholastic Federation/Fox, Comcast
 - CFL: Rights Valuation and Negotiation Strategy
 - Chicago Cubs: M&A
 - Chivas USA/Fox Sports, KWHY-TV, KDOC-TV
 - Dallas Mavericks/FSN Southwest
 - Dallas Stars M&A
 - Detroit Pistons/FSN Detroit
 - DIRECTV vs. Comcast SportsNet
 - Joint Sports Claimants (NFL, MLB, NHL, NCAA, NBA)--Copyright Testimony
 - Los Angeles Clippers/FSN Prime Ticket
 - McKinsey & Co./TELUS RSN
 - Miami Heat/Sun Sports
 - Miami Heat vs. Clear Channel
 - Milwaukee Bucks/FSN North
 - Minnesota Timberwolves/FSN North
 - MLS: Local TV Strategy
 - National Basketball Association: Revenue Yield Index Regression Model
 - NFL Network Affiliation Strategy
 - New Jersey Nets/YES Arbitration
 - Oklahoma City Thunder/FSN Southwest, KSBI, Citadel-WWLS
 - PGA Tour Negotiations Strategy
 - Phoenix Suns/Fox Sports Arizona
 - Pro Rodeo Cowboys Association/GAC
 - Portland Trail Blazers/Comcast Sports Net Northwest
 - Qualcomm
 - Road to the Kentucky Derby-The Jockey Club
 - Sacramento Kings/Comcast Sports Net West
 - San Antonio Spurs/FSN Southwest
 - Tampa Bay Lightning/Sun Sports Network
 - TELUS: Programming Acquisition Arbitration
 - Utah Jazz/FSN Rocky Mountain
 - Washington Nationals RSN Valuation

Rights Negotiations-Our Specialty

- Phase 1-Assessment & Goals. We approach these in a holistic manner, first identifying the goals and needs of the organization, then performing an independent appraisal of the existing media agreements and relationships.
- Phase 2-Analysis. Next we do a marketplace valuation using comparable transactions as well as Pro Forma modeling to understand the value of a team's rights. We also perform an analysis to identify the value that potential third parties might create using team rights, and consider the attendant risks.
- Phase 3-Negotiations & Documentation. Then we create a negotiation strategy plan which includes discussions with the incumbent, as well as potential third parties. Finally we engage in negotiations custom-designed to meet your needs. In this process we update our models as the negotiations proceed and the deal points are proposed and considered by each party. Lastly we assist counsel in the documentation of the agreement in sign-able, league-approvable form.

Wide Selection of Complementary Services

In addition to negotiating large media rights agreements, we perform a number of other, related services for teams and other clients, including:

- Ownership/Management consulting on team business operations, media production, sales and marketing, recruiting/organization, and best practices benchmarking
- Business and strategic planning, including creation of business plans for RSNs, market research, and
- Mergers & Acquisitions support, including team and media valuations, negotiations, consulting on league related matters, and long term business projections
- Litigation/Arbitration support, expert testimony, and mediation services

Work Samples



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Client Review Draft
For internal use of MLSE/Ownership Only

MLSE 2015-16 Media Rights Valuation Projections

Prepared by
Desser Sports Media, Inc.
April 21, 2011



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Third Party Cable TV Rights Valuation: Upgrade, Conversion and Asset Creation Models



DESSERSPORTSMEDIA INC.
It's all about winning



PGA Tour TV Negotiations Analysis



Desser Sports Media, Inc.
April 28, 2011



THIS IS OUR LEAGUE

CANADIAN FOOTBALL LEAGUE BROADCAST RENEGOTIATION PRESENTATION

BOARD OF GOVERNORS MEETING
TORONTO September 20, 2011



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Strictly Private & Confidential

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Negotiation Expertise, Working Relationships, Counterparties

Broadcast



New Media



Distribution



Cable Networks



Radio



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Ed Desser Bio



Ed Desser is President of **Desser Sports Media, Inc.**, founded in 2005, continuing Desser's more than 30-year career in sports, media, radio and television. Its clients include a variety of teams, leagues, and other rights holders.

Following 10 years in local broadcasting and at the **LA Lakers** and **LA Kings**, he joined the **National Basketball Association** in 1982 as Director of Broadcasting/Executive Producer. In 1984 he also assumed the position VP/General Manager, **NBA Entertainment**, with bottom-line responsibility for the league's full-service TV production arm. NBAE produces a number of weekly and daily network programs for national and international distribution, in addition to nightly news highlights and programming for NBA TV and NBA.com. In 1987, Desser was also named VP/Television for **NBA International, Ltd.**. During this time, the division grew distribution of NBA programming to more than 9,000 hours in 200 countries worldwide. NBA International was the first in-house operation in this area for any US league.

As the NBA began its quest to develop new media opportunities, Desser was named **President of NBA Television and New Media Ventures** in 1992. Over the next 10 years he spearheaded the exploration and development of a variety of technologies, ranging from High Definition TV (1991), Direct Broadcast Satellite (League Pass-1994), the Internet (NBA.com 1995), real-time statistics (1996), NBA TV (1999), and Satellite Radio (2002). Other new initiatives included the launch of the WNBA and the NBA's Development League. In 2002 he was named the NBA's Executive Vice President, Strategic Planning and Business Development, **Office of the Commissioner**.

During this 23-year period of dramatic business growth and technological innovation, Desser was also instrumental in the negotiation of the NBA's landmark national television agreements with NBC, Turner Broadcasting, ABC, and ESPN, which resulted in more than twelve-fold revenue improvement and substantially increased distribution. He led the NBA's **Business Planning** process, and the **NBA Board of Governors' Planning Committee**.

Desser holds a **BA in Economics** from UCLA and an **MBA in Marketing** from USC.

The DSM Team

Sue Hamilton

Sue specializes in the negotiation of network distribution agreements with cable, telco and satellite operators. Previously, Sue served as EVP of Programming for Charter Communications, and VP Programming for AT&T Broadband, now Comcast.



Neil McDonald

Senior Vice President of Desser Sports Media, Neil McDonald is a TV program planning and operations specialist. He worked at the NBA for more than twelve years, managing NBA Radio and finishing as Director of Broadcasting at NBA Entertainment. He specializes in business development programming, live sports TV production, and research.



Ken Adelson

A network programming and production specialist, Ken has over 25 years experience in television and digital media. He was SVP of Production and Operations at NBA Entertainment, Inc. for more than 15 years. He was also SVP/Executive Producer for the Oklahoma City Thunder.



Eydie Eisen

Senior VP/Marketing. A marketing specialist, Eydie has over 20 years' experience in local media sales management in New York, Los Angeles, San Francisco, and Dallas for CBS, and has overseen media sales for the Texas Rangers, Dallas Mavericks, and the Los Angeles Dodgers.



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Partial Client List



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