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Sport

Alabama Rolls Up Money, With Tide Lifting All Boats

Over the past decade, the success of Alabama's football program has become a powerful engine for the university's economic and academic growth.

By **JOE DRAPE** NOV. 5, 2015

TUSCALOOSA, Ala. — Bill Battle is near the 30-yard line with his fellow alumni, gripping hands and flashing a lighthouse smile, reassuring one and all that all is right in the University of Alabama athletics department, which he runs. Near the edge of the field, Molly Brautigan leans over a rail with some fellow sorority sisters, laughing and plotting their postgame festivities.

At midfield, with his back to the visiting Arkansas Razorbacks, a stone-faced Nick Saban — Alabama's \$7-million-a-year football genius — watches his team tick off its warm-up drills surrounded by a rising tide of crimson as the more than 101,000 faithful find their seats at Bryant-Denny Stadium.

Jim Carabin, the general manager of Crimson Tide Sports Marketing, is on the sideline, too. He hands a signed football to people from Golden Flake, "the official potato chip of the Crimson Tide for more than 50 years," and programs to AT&T and Coca-Cola representatives before racing out of a tunnel to check on his broadcast team.

The athletic director and the salesman, the football coach and the sorority sister, have all taken their places for what, at least seven Saturdays here each

year, becomes the center of the Alabama universe: game day. It is equal parts war on the field and worship service, and it serves as the centerpiece of Alabama Football Inc., an enterprise that generates more than \$95 million annually.

Its football prowess is well established, going back to 1926, when the Crimson Tide became the first Southern team to win the Rose Bowl, and continuing with the powerhouse 1960s and '70s teams coached by the legendary Paul Bryant, known as Bear, and Saban's current run of three national titles in the past six years, with a realistic shot at a fourth this season.

But over the past decade, the success of Crimson Tide football can be measured off the field as well, as it has become a powerful engine for the university's economic and academic growth.

It has attracted a more academically minded student body from all over the country in the past decade and has served as the catalyst for more than \$1.7 billion in fund-raising, according to those here who have engineered the explosive growth.

In the last decade, enrollment has increased by more than 55 percent, to a record 37,100 students this fall, and more than half of the students now are from out of state, another seismic shift. This year, 2,261 freshmen are enrolled in its Honors College, two and half times the number 10 years ago. Its 174 National Merit and National Achievement finalists rank Alabama among the top five public universities.

“Just like Nick Saban has recruited five-star athletes, the university is going after the best and brightest students,” said Calvin Brown, Alabama's director of alumni affairs. “We understand that there are young people out there who first view us, or any other institution, through the window of athletics.”

Along with loving football, monetizing the sport is now part of the

University of Alabama's DNA.

A Business-Minded Athletic Department

In one of the earliest known examples of the power of product placement, each episode of “The Bear Bryant Show” on Sundays began with Bryant twisting off the cap of a Coke bottle and opening a bag of Golden Flake chips, a nod to the sponsors bringing his thoughts on the previous day’s game into living rooms across Alabama.

No one embodies this dynamic as neatly as Bill Battle, Alabama’s athletic director since 2013. He played on Bryant’s 1961 national championship team and then lined up across the field from the Bear as the coach of the University of Tennessee. In 1970, when Battle took that job, he was 28 and the youngest head coach in the nation.

Despite compiling a 59–22–2 record and winning four of five bowl games, he was forced out by Tennessee after the 1976 season, partly because the Volunteers could not supplant Bryant and Alabama as a Southeastern Conference power, partly to make way for Johnny Majors, a Tennessee alumnus who had just led Pittsburgh to a national championship. Bryant may have helped run Battle out of coaching, but he pushed him into business in a big way.

In 1981, while Battle ran a window company, Bryant told him that he was unhappy with the company managing his speaking engagements and was looking for some help lining up better ones. Bryant sat on the board of Battle’s window company, and they had developed a friendship, so Battle agreed to assume the role himself.

As he immersed himself in the business of college sports and the branding of the Bear, Battle discovered that the University of Alabama did not have a licensing department (nor did any other college football power), which meant

that its distinctive symbol, the script “A,” and “Roll Tide!” logos could be appropriated and slapped on shirts, hats or coffee cups without the university receiving a dime.

“I knew how important universities are to communities and alumni,” Battle said. “Those markings, the school brand, were worth a lot of money, and they were leaving it on the table.”

Battle also knew to steal the playbook for licensing and selling merchandise from the N.F.L., which had in turn taken a page from the Walt Disney Company’s book. With Alabama as his first client, Battle created the Collegiate Licensing Company.

Thirty-four years later, the collegiate merchandise market takes in \$4.6 billion in annual sales. In 2007, IMG, the global sports management conglomerate, bought Battle’s company, along with access to his 200 clients, for a reported price of more than \$100 million. And licensing remains a healthy revenue stream for Alabama; under its current contract, CLC guaranteed Alabama \$9 million this year and \$103 million through the 2024-25 season.

Battle, 73, still answers to the name “Coach” and works the stadium suites with the power and grace of the tight end he once was, popping in and out of them talking football, betraying a grimace when Alabama, trailing Arkansas by 7-3, wastes opportunities to score before halftime. He considers himself a caretaker of a beloved brand — one with 31,000 people on the waiting list for season tickets and plenty of companies and donors waiting to ante up a mid-six-figure donation to to secure a luxury suite.

Battle says Mal Moore, his predecessor and former Alabama teammate, deserves the credit for laying the foundation for this hyperefficient money machine. In 2003, the athletic budget was \$37 million. Today it is \$153 million. It was Moore who launched and presided over the \$285 million in new athletic facilities, including two expansions to Bryant-Denny Stadium that

brought the seating to 101,821. Moore also lured Saban from the N.F.L.'s Miami Dolphins with a professional-size paycheck.

“It was a brilliant move,” Battle said.

Just as licensing of logos 35 years ago was considered found money, the rapidly increasing revenue from broadcast rights due to the popularity of college sports has been a boon to Battle's department, especially the 2014 launch of SEC Network, a joint venture between the conference and ESPN.

Last year, the SEC received \$436.8 million, \$31.2 million per university, for broadcast rights and bowl game and College Football Playoff payouts, as well as money generated from the conference and the N.C.A.A. basketball championships. That was up from \$292.8 million, \$20.9 million per university, the previous year.

And a robust top line has paid off with championships beyond football. Since 2008, Crimson Tide programs have won nine national championships in five sports and 20 SEC titles in seven sports.

Still, some remain troubled by the big money being poured into college football and the breaks the game has received from lawmakers and the Internal Revenue Service.

“All of this operates under the broad umbrella of the university's tax-exempt status as an educational institution,” said Gilbert M. Gaul, the author of “Billion Dollar Ball: A Journey Through the Big-Money Culture of College Football.” “That may have made sense once upon a time, but I don't see how a highly commercialized football business qualifies as a tax-exempt institution today. We lose about \$500 million annually on the tax breaks awarded football and other revenue-generating sports.”

Gaul also points to the expenses Alabama has incurred as Saban has built an N.F.L.-style program. Kirby Smart, the Crimson Tide's defensive

coordinator, is the second-highest-paid assistant in the nation, with a salary of \$1.5 million.

“The 10 full-time football coaches alone account for about half of all of the money available for the 60 Alabama coaches,” Gaul said.

Yet between the strides in enrollment and academics and the athletic department’s contributions back to the university, Battle says, his department has not received any pushback from the university faculty or alumni.

“We’re not the tail wagging the dog,” he said.

Faculty members agreed.

“There’s less of a ‘Let’s get athletics’ among our faculty than most places,” said Dr. K. Clark Midkiff, a professor of mechanical engineering here for 30 years and a former president of the faculty senate. “I think what they are doing with athletics is reasonable and proper. Yes, winning three national champions was a nice bump, but it isn’t the dominant reason for our growth. We had a vision as an institution, and a lot of people worked hard to make it work.”

Last year, the athletic department recorded a \$33 million profit, according to university documents. It gave \$9.1 million to the university, including \$4 million for the university’s Presidential Scholarships, which go to top-performing students. Since 2010, athletics have also provided \$1 million annually toward faculty salaries. The biggest line item in the budget is \$16 million to pay for more than 300 scholarships at full price.

The student-athletes have helped their cause as well by posting an overall cumulative grade-point average of 3.03 and a graduation rate of 71 percent, 5 percentage points better than the rate for the regular student body. Last year’s football team was recognized as one of the nation’s top academic programs, ranking third in the annual academic rankings of the top 25 college football teams, produced by New America, a Washington think tank.

Selling the Alabama Brand

With less than three minutes left to play, Derrick Henry bulled his way over the goal line for a touchdown, setting off an emphatic celebration at Bryant-Denny. The Crimson Tide had shaken off their early sluggishness and scored 24 points in the final 17 minutes to defeat the Razorbacks, 27-14.

Coach Saban had done his job. Jim Carabin was still doing his.

He was here at 8 a.m., 11 hours before kickoff, making sure that his sponsors' village had been set up in the shadow of the stadium and that the suite inside had been properly stocked with everything from gulf shrimp chowder and hot dogs to roast beef and chicken. There were also tickets to hand off and a production meeting to attend for the radio broadcast.

Learfield Sports guarantees Alabama up to \$14 million a year in revenue as the multimedia rights holder, and it sells items like programs; game-day radio headsets; and scoreboard, online and radio ads.

Carabin and his nine-member staff are responsible for turning the typical game-day program into a glossy, 175-plus-page, sponsor-driven tome that sells 17,000 copies at \$5 a pop. They program more than 1,000 hours of radio broadcasts annually, including nine hours alone each football Saturday, that are carried on 62 stations from Aniston, Ala., to West Point, Ga.; Apalachicola, Fla., to Tupelo, Miss.

Each Thursday, they are in town at Bob's Victory Grille, where "Hey Coach," a 90-minute weekly call-in show where the Crimson Tide faithful will bid up to \$2,900 for the right to sit at the table in front, ask the coach the first question, get memorabilia signed and get a photo with Saban.

It is an easy sale, right?

"It's such a big and iconic brand that expectations are so much higher," Carabin said. "It's no longer 'I want an ad in the program and four season

tickets.’ Everyone wants to own something unique.”

So Crimson Tide Marketing gives it to them. Eli Gold, the voice of Alabama football, peppers his play-by-play with the “Bromberg Jewelers Rolex Scoring” recap and teases to the “Full Moon Barbecue Halftime Report.” Pitches for Lilly Forklift lead into promotions for Baumhower’s Restaurant, “Home of Legendary Food, Legendary Fun.”

Inside Bryant-Denny, the bigger regional and national sponsors own the scoreboards. Regions Bank and Toyota pay \$80,000 to have their logos rotate down the left side throughout the game. Muscle Milk and Coca-Cola pay six figures to own the tunnels and corner boards. Anywhere from \$50,000 to \$75,000 buys one minute of pregame ads and two minutes of in-game ads on the LED scroll and attracts companies like Cooper Tires and restaurants like Billy’s Sports Bar.

It is well past 9 p.m. now as Saban makes his way through the bowels of the stadium to meet the media. Carabin is there. Afterward, he will take Saban to a studio in the stadium to film his weekly television show. It will be another late but lucrative night of Alabama football.

Cameras are trained at the podium awaiting Saban’s arrival. Earlier, Carabin bemoaned the lack of an LED board behind the coach. Just think how valuable that real estate would be to sponsors, he lamented later.

“I could sell it three times,” he said, smiling.

Instead, awaiting the coach on the podium is a Coca-Cola; in Saban’s hand, as he walks in, is a bottle of Dasani water, both part of the sponsor deal.

The New Student Class

Live oak trees yawn over the perfectly coifed quadrangles that are lined by stately brick buildings fronted by columns and graced with domes and turrets

from another era. When Stuart Bell arrived on campus over the summer as Alabama's new president, it was as familiar to him as it was the day he left in 2002 to become dean at the University of Kansas School of Engineering.

“There always has been a feeling here that once we got kids to step foot on our campus, we will keep them here,” said Bell, who most recently was executive vice president and provost at Louisiana State. “Little has changed, and a lot has changed.”

The College of Engineering, where Bell spent 16 years as a professor and administrator, has four new buildings on a quad named after Senator Richard Shelby, an alumnus, and his wife, Annette, who is a professor emerita here. Six residential communities with 2.1 million square feet and more than 5,000 beds are new as well.

It is who is inside them, however, that impresses Bell the most — young men and women from New York to Washington State, Hawaii to Maine. Some are the product of the hard work put in by members of Alabama's more than 110 alumni chapters, which have aggressively recruited potential students and have helped endow more than \$40 million in scholarships. Alabama's price tag is attractive as well: \$10,170 for residents and \$25,946 for out-of-state students, a bargain compared with the nearly \$40,000 charged at elite public universities.

Alabama, where Gov. George Wallace made his famous “Stand at the Schoolhouse Door” in 1963 to unsuccessfully block integration, has struggled to ensure that the rocketing enrollment is diverse: 81.6 percent of enrolled students in 2015 are white, and 85.4 percent of newly enrolled freshmen are white. Those figures have actually increased since 2010.

Many newcomers are like Molly Brautigan, 18, who says Saban and his football team brought her south from Montclair, N.J. She wanted to spend Saturdays mornings like this one — trying on and discarding outfits — for a brunch date at the Pi Kappa Alpha fraternity house. She wanted to tailgate in

the afternoons in the quad, tent-hopping among the young men in blue blazers and pink button-down Oxfords while dressed to the nines with her Pi Beta Phi pledge sisters.

“I wanted to attend a big Southern school with big football, big Greek life and warm weather,” she said as sunshine poured down on the quad and cold beers found their way into everyone’s hands.

She was accepted at South Carolina, Clemson, Georgia and L.S.U. but chose Alabama to pursue a finance degree because she thought the academics here were as strong as the social scene.

She is hardly alone. Wesley Goodlett and Connor Sparks are Texans who transferred here — Goodlett from the University of Texas, Sparks from Texas Tech. Emily Bradley, a sophomore from Michigan, received a scholarship to Alabama’s Honor College and chose it over joining her brother at Michigan State. “I love football, so it was a good fit,” Bradley said.

Mindy Brautigan, Molly’s mother, is a New Jersey native who graduated from Villanova, near Philadelphia. At first, she was mystified by her daughter’s determination to go south. “Molly wanted to reinvent herself, and as soon as she stepped on campus, she knew that was where she wanted to be,” she said.

Mindy Brautigan understood why after attending the Ole Miss game earlier in the season. While the Crimson Tide suffered a rare loss, Mindy sat in the student section with her daughter and was at once electrified and moved by how well her daughter had adapted to a new way of life.

“We met people from Alabama and Georgia, New Jersey, California and Texas,” Mindy Brautigan said. “She’s happy there, and that’s all anyone wants for their child.”

Or children. Molly’s twin sisters, Amelia and Hannah, were accepted to Alabama and will be joining her here in the fall.

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