

## Stanford Proves Endowed Coaches Make Winning Teams Not Just Luck

By Rob Gloster - Nov 7, 2013

Private equity firm founder Bradford Freeman made it onto the field for one play as a Stanford University scholarship football player and jokes that he is “the highest-paid student-athlete, per minute, in history.”

He’s more than paid the school back since.

Freeman, 71, chairman of Los Angeles-based Freeman Spogli & Co., became a pioneer when he gave \$1.6 million in 1989 to endow the head football coaching position at Stanford. Almost a quarter-century later, the university has \$35 million in sports coach endowments and schools throughout the U.S. have adopted similar programs to help finance athletics.

“I played 10 seconds in four years,” he said in a telephone interview. “They took a chance on me and obviously did not get their money’s worth from a football standpoint, and I sort of felt I owed it to them.”

Freeman will be at Stanford Stadium tonight when the Cardinal host [Oregon](#) in a game with championship implications. Oregon (8-0) is ranked No. 3 in the Bowl Championship Series standings that determine which teams play for the national title, while Stanford (7-1) is ranked fifth among the 125 U.S. colleges included on the list.

Freeman, who graduated from Stanford in 1964 with a bachelor’s degree in economics and went to Harvard Business School, also has endowed an academic vice provost and athletic scholarships at Stanford as well as the campus’s Freeman Spogli Institute for International Studies.

His football endowment has helped pay the salary of coaches including Bill Walsh and Jim Harbaugh, as well as the current Bradford M. Freeman Director of Football, David Shaw.

### Stanford Way

“At Stanford, it’s not just people giving money to football, it’s people giving money to the way we do things with the caliber of young men that we do it with,” Shaw said in an interview. “A guy like Brad

Freeman loves what Stanford's about and loves to help provide an atmosphere for these young people to play great football at a great school."

Stanford Athletic Director Bernard Muir says donors endowed the positions of Shaw and nine other Cardinal head coaches. Shaw is not the only Stanford football coach with a title.

The Andrew Luck Director of Offense and Willie Shaw Director of Defense (named for David Shaw's father, a former Stanford and National Football League assistant coach) were endowed this year by an anonymous donor. In June, Stanford's Shannon Turley became the nation's first endowed strength and conditioning coach.

"I definitely didn't feel like I accomplished as much as John Elway or Jim Plunkett or Frankie Albert or John Brodie, some of the great quarterbacks from Stanford's history," said Luck, who threw 82 touchdown passes at Stanford from 2009-11 and now is in his second season with the NFL's Indianapolis Colts. "I was very humbled when the individual asked me for my blessing to do it."

## **Ivy League**

Endowed coaching positions are also in the Ivy League, and are becoming more popular at schools ranging from private Duke University in Durham, North Carolina, to public [Michigan State University](#) in East Lansing, Michigan.

Seven of the eight Ivy League schools have endowed football head coaches, with Brown University in Providence, Rhode Island, the only exception. Endowed Ivy League coaching positions also range from lacrosse and women's ice hockey at Harvard to women's squash at Brown and men's heavyweight crew at Dartmouth.

Even smaller schools such as Lafayette College in Easton, [Pennsylvania](#), have endowed football coaches, and some universities have naming-rights menus on their websites.

## **Endowment Price**

At Michigan State, endowing the football or men's basketball head coach [costs \\$5 million](#). Duke's website says "[\\$5,000,000 will establish an endowment](#) supporting the head coach of football, men's basketball, or women's basketball" -- the same amount needed to endow an academic dean's position. At Texas Tech, the [price list](#) ranges from \$2 million for the head football coach to \$750,000 for head coaches in sports including volleyball, cross country and women's golf.

Muir calls the endowment of coaches and student scholarships a "critical component" of the school's ability to field 36 varsity sports involving more than 900 athletes.

Scholarships account for about 20 percent of Stanford's \$100 million athletic department budget, Muir said, and most of those scholarships are endowed.

"It's a vital part of what we're trying to accomplish here at Stanford," Muir said in an interview. "It strengthens our overall brand."

Freeman grew up in Fargo, North Dakota, and hitchhiked to the West Coast after getting his Stanford athletic scholarship. Twenty-five years after graduating from the school near Palo Alto, [California](#), the former Dean Witter Reynolds Inc. managing director thought about endowing an academic chair before asking if he could do the same with a coach.

## 'Major Influence'

"Stanford is a major influence on my life and I felt I wanted to give back," Freeman said. "A lot of people were giving to professors, and I just thought it was a quirky idea to give to a coach. It was very unusual at the time I did it. I think I started a trend."

Five years later, Tom Stephenson -- a business school classmate of Freeman and later a partner at Menlo Park, California-based venture capital firm Sequoia Capital -- gave \$2 million to make the Crimson head football coach the first endowed athletic department position at Harvard.

## Paulson's Donation

Henry Paulson, the former U.S. Treasury secretary and Goldman Sachs Group Inc. chairman, gave a \$2 million gift to Dartmouth College in Hanover, New Hampshire, in 2000 endowing the Robert L. Blackman Head Coach. Paulson was an offensive lineman at Dartmouth from 1965 to 1967, when Blackman was the head coach and the Big Green went 23-4.

Muir, the athletic director, and coach Shaw say Freeman enjoys hearing about Stanford's team and meeting the players, but has never tried to make suggestions about how to run the program. Freeman agreed he should not play such a role.

"I'm hands off. Once they tried asking me a couple of things many coaches ago, and I'm not sure why," Freeman said. "That would be like some coach coming in and telling me how to buy a company."

To contact the reporter on this story: Rob Gloster in San Francisco at [rgloster@bloomberg.net](mailto:rgloster@bloomberg.net)

To contact the editor responsible for this story: Michael Sillup at [msillup@bloomberg.net](mailto:msillup@bloomberg.net)