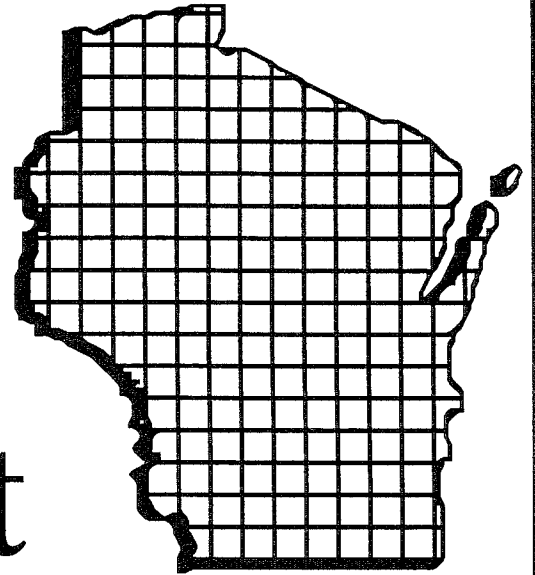


Wisconsin

Policy
Research
Institute
Report



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Volume 8, Number 9

**THE
GREEN BAY
PACKERS**

*America's Only Not-for-
Profit, Major-League
Sports Franchise*

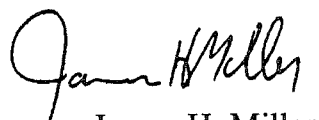
REPORT FROM THE PRESIDENT:

Of all the institutions in Wisconsin, none is more unique than the Green Bay Packers. Only in Wisconsin could you find a major-league sports franchise that is not-for-profit and considered a totally integrated community asset. The Packers are an ideal example of what professional sports franchises in this country should be to a community, but seldom are.

While Green Bay (population 97,000) is the smallest city with a major-league team, few cities can match the support that the Packers enjoy from their local fans. Professor Daniel Alesch of the University of Wisconsin-Green Bay, the author of this study, points out that he has been on a waiting list for Packer season tickets since 1973 and is unlikely to get them until the next millennium. There is probably no professional franchise with that kind of following in this country.

The reason is that the residents of Green Bay — and, to a certain degree, the entire state — consider themselves partial owners of the Packers. In fact, the Packers are a not-for-profit corporation. Unbelievably, if the Packers franchise were ever sold, all the net revenues would go to an American Legion post in the city. Compare this to other cities, where owners tend to maximize their own profits or simply leave the community at the drop of a hat. In Green Bay, local charities work the concession stands and receive hundreds of thousands of dollars for the community good. Their relationship is what separates the Packers from any other sports franchise. They have evolved into a community effort that maximizes the public interest.

Finally, the Packers are the last remnant of sports the way it used to be in this country. Green Bay represents “small-town” America. The Packers are a lasting legacy of small cities that couldn’t sustain a professional sports franchise. Vince Lombardi used to say that winning is the only thing. Today, in Green Bay, that could probably be substituted by the community is the only thing. Can any other city with a professional sports franchise say the same?


James H. Miller

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THE GREEN BAY PACKERS

*America's Only Not-for-Profit,
Major-League Sports Franchise*

DANIEL J. ALESCH, PH.D.

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EXECUTIVE SUMMARY

The Green Bay Packers, Inc., is America's only publicly owned, not-for-profit, major-league sports franchise. The team has survived, even flourished, for 77 years in Green Bay — a city of 97,000 people in northeastern Wisconsin.

The Packers team is an anomaly. National Football League rules prohibit replicating the Green Bay model. The league permits only closely held organizations with a majority shareholder. Not-for-profit, *nonstock* corporations are commonplace. Not-for-profit, *stock* corporations are rare. Despite their considerable attractiveness for special assets like the Packers, they are generally prohibited — except for a few applications, such as country clubs. Nevertheless, very important and widely applicable lessons should be drawn from the Green Bay story by communities across the country.

The direct economic benefits to Green Bay from the Packers are about \$60 million a year from an asset that would cost roughly \$200 million to replicate, if it were even possible to do so. The indirect economic effects of the Packers as part of the area's magnet are almost impossible to measure, but locals believe the team is very important to their long-term well-being. Local charities will earn about \$400,000 this year operating the Lambeau Field concession stands. The Packers players' physical presence over the years, and the way many of them have integrated themselves into the community, form special, perhaps unique, community bonds in northeastern Wisconsin, adding significantly to the quality of life there. It is not all roses, however. Some Packers players are model citizens; others are not.

Green Bay and the Packers have done an exemplary job of creating, preserving, and enhancing the institutional amenity known as the Green Bay Packers football team. Knowing how they did it is an important lesson for others. Moreover, the lessons from the Green Bay story are just as applicable to the arts, entertainment, recreation, and industry as they are to sports.

The Packers flourish in Green Bay for several reasons. *First*, the organizational form and style of ownership ensure the Packers will remain in Green Bay. Almost 5,000 people own shares in the publicly held, not-for-profit corporation. No one may own more than a small fraction of the shares, so obtaining a controlling interest in the team is virtually impossible. Furthermore, if the team were to be sold, the net proceeds would go to a local American Legion post for the purpose of erecting a proper soldier's memorial. There is neither the incentive nor the ability to sell or move the team. No one's pockets could be lined in such a deal.

Second, the community has come to the aid of the Packers five times since 1922. Three of those efforts were flat-out financial rescues. On two other occasions, the city built stadiums for the team so it could remain in Green Bay and be competitive in the league. The first rescue was reluctant. The subsequent ones have been enthusiastic displays of support. The way the rescues were structured helps ensure the Packers' viability and continued presence in Green Bay. The rescues have paid off for the team and the town.

Third, the National Football League (NFL) employs revenue-sharing techniques that help level the playing field for teams in smaller markets and keep the league competitive. They share revenue from television, ticket, and sales of merchandise with specific team logos among all of the teams. The league also imposes a salary cap on teams. Without such sensible policies, player free agency and the demand for franchises — which has driven franchise values up enormously — would make it impossible for Green Bay's team to survive, despite its unique organization and its legendary community support. Without such supportive policies, the team would remain in Green Bay, but could not be competitive and, ultimately, would wither away. Those policies are currently under attack from practices employed by the Dallas Cowboys' ownership. If the policies that help ensure parity go by the wayside, so will, in all likelihood, the Packers.

Finally, Green Bay's Packers have a much larger market than would first appear. Only about

200,000 people live in the immediate Green Bay area, but another 300,000 people live in the region immediately to the south, and the Packers sell many season tickets in Milwaukee and the southeastern part of the state. While most season tickets are owned within Wisconsin, season-ticket holders live in 47 states. The waiting list for season tickets has more than 20,000 names on it; the person who most recently obtained season tickets had waited on the list for 26 years! Packers fans are all over the country, as testified to by the fact that merchandise with the Packers logo on it is fourth in the nation among NFL teams so far in 1995.

The lessons from Green Bay are as follows. *First*, an institutional community asset can be created. It can have very positive effects on the community. That asset might be a professional sports team, but it could, just as easily, be an asset with a focus on the arts, entertainment, recreation, or industry.

Second, if a city has or wants to develop an institutional asset, the form of ownership is critical to ensuring that the asset will remain there. The fact that the Green Bay Packers are not-for-profit and can have no majority shareholder ensures they will be in Green Bay a long time.

Third, area businesses, government, and residents have to be willing to pitch in to support their amenity in times of crisis. There is no free ride. Communities that help bear the costs of creating, maintaining, and enhancing the amenity will benefit from it. In Green Bay, the Packers funnel money and quality of life back into the community. The team continues to repay the support it receives from civic organizations and local government. Mutual support is essential.

Finally, local governments should focus their strategic-planning efforts on creating, maintaining, and enhancing assets that are critically important to local well-being. Too many cities assume the assets that make their community special will remain vital and in place forever. These days, especially, that is not so. Special amenities and assets can disappear almost overnight.

ACKNOWLEDGMENTS

Special thanks are extended to the Green Bay Packers, Inc., to Bob Harlan, Lance Lopes, Phil Pionek, Mike Reinfeldt, Lee Rummel, Jeff Blumb, Mark Wagner, and the other members of the Packers staff who graciously and generously took time to answer all my questions. Thanks, too, to Paul Schierl, John M. Rose, Ben Laird, and Jane B. Alesch for special assistance. All interpretations and conclusions are the responsibility of the author.

GREEN BAY AND THE PACKERS: A UNIQUE PHENOMENON

The Phenomenon

It was early in October, about a year ago. They were two very proper and well-dressed women in their late seventies or, perhaps, early eighties, sipping tea on the veranda of the retirement complex in the sunny Green Bay autumn afternoon. As I walked from the lobby past them toward my parked car, one sipped her tea thoughtfully as the other observed, "Well, if Brett Favre can't read pass defenses any better than that, they simply have to give young Detmer a chance to prove himself."

Football, especially Packers football, permeates Green Bay through the autumn months. For that matter, it permeates Green Bay much of the rest of the year, too. Almost everyone is a fan. People in Green Bay, northeastern Wisconsin, and the entire state are steeped in Packers myth, legend, and lore. Every home game is a sellout and has been since 1958, for almost 40 years. As of September 1995, 20,363 names are on the waiting list for season tickets. The list grows daily. The lucky person who got season tickets most recently had been on the list for 26 years.

Festivities begin early the day of every home game. Tailgate parties are a tradition at Lambeau Field — the stadium named after Curly Lambeau, the hometown boy and longtime Packers coach. Smoke rises from a thousand charcoal grills searing tens of thousands of Wisconsin-style bratwurst. The aroma wafts through parking lots and across Lombardi Avenue, named for Green Bay's greatest demigod. The Packers faithful gather in celebration and anticipation much as they have for 77 consecutive years.

As kickoff approaches, more than 60,000 fans crowd into the stadium festooned with signs honoring and proclaiming the Packers' greatest heroes: Lombardi, Starr, Davis, Gregg, Hornung, Taylor, and Hutson. Banners list the NFL championship years: 1929, 1930, 1931, 1936, 1939, 1944, 1961, 1962, 1965, 1966, and 1967. They remind anyone who may have forgotten which team won Super Bowls I and II.

A million or more loyal fans of all ages, unable to get tickets for the game, tune into televisions and radios to follow the action. Many turn the volume down on the television and up on the radio so they can listen by radio to Max McGee and other favorites from previous Packers teams give their special spin to the game.

In October 1996, Green Bay will celebrate 100 years of professional football in that city, including the Packers and their predecessor city teams.

How Can It Be? Are There Lessons for Others?

An outsider, looking in, has to wonder how it can be. By any objective measure of wins or losses or as a contender for a league championship, the Green Bay Packers have been mediocre for the more than a quarter of a century since the Lombardi "Glory Years."

How can the Packers retain such incredible loyalty from so many fans for so long? How can the Packers survive in Green Bay, Wisconsin, a city in which census-takers could find only 96,466 people in 1990? How can a professional football team franchise flourish there when dozens of larger markets lust for a franchise? How can the Green Bay franchise survive when owners in professional sports migrate from market to market in search of bigger profits? Metropolitan Los Angeles recently lost its second franchise in recent years. The Rams had migrated, first to Orange County and then to St. Louis. The Raiders returned to Oakland after a stay in Los Angeles. How can the Green Bay Packers have a competitive team in the league's smallest city when many players are free to play for the highest bidder? Superstar athletes measure their salaries in millions of dollars a year and even an average player in a skill position can command a million-dollar salary.

These are interesting questions, but other questions about the anomalous Green Bay Packers are even more important for other cities, large and small, across the country. Those questions have to do with what it means to have a major-league team in a community. What is more interesting and important are the questions having to do with the impact of a major, distinguishing institutional asset on the well-being of a metropolitan region.

It is in this context that the Green Bay Packers' story is particularly important. Can Green Bay's experience teach any lessons to other, smaller population centers looking for ways to enhance the quality of life for residents and prospective residents? Are there lessons to be drawn from the Packers and Green Bay that could be put to use in other cities, large and small, to help develop and enhance an important regional asset? This report answers these questions.

Contrary to Popular Belief, There is Something Else to Do in Green Bay: A Little Background

When her new college roommate asked my younger daughter, then a first-year student, how big Green Bay was, she thought carefully for a moment and then described it in terms almost everyone could understand. Eight interstate exits and a dozen McDonalds.

Understanding the Packers story and the lessons from Green Bay that might be applicable elsewhere requires knowing more about northeastern Wisconsin than my daughter could convey in that phrase.

Green Bay's image was cemented on December 31, 1967, in a legendary football game. That day, Bart Starr kept the ball on a quarterback sneak to score a touchdown against the Dallas Cowboys with 13 seconds remaining to win the National Football League title at 16 degrees below zero before a national television audience. The game will be known forever as the Ice Bowl. It will forever cause people to think of Green Bay as having an arctic climate. Everyone knows that Green Bay is a community of lumberjacks and ice fishermen who dress, year-round, in blaze-orange, deer-hunting outfits.

It is true that Green Bay's climate is far from Mediterranean. It is also true that, when the Green Bay Packers were founded in 1919, Green Bay was a very small town of only about 20,000 residents. Even by 1960, Green Bay was very small, incredibly homogeneous, and insulated from much of the rest of the world.

Green Bay is one of the oldest European settlements in the United States. It was founded because of the fur trade and because it provided excellent access by water from Lake Michigan to the West by way of the Wisconsin and the Mississippi Rivers. Europeans have lived there continuously for 350 years. Despite its long history, Green Bay has no great architectural heritage and, to the uninitiated, few landmarks. It has been an industrial city since the fur trade lapsed. Apart from its location at the mouth of Wisconsin's Fox River on North America's largest fresh-water estuary, Green Bay has little to distinguish it from hundreds of other smaller American cities. It has no ocean surf, palm trees, or mountains. It has no glamour industries like films, country music, or computer chips. Green Bay rarely makes the list when people across the country start thinking about great retirement communities.

Despite the "small-town" jokes and occasional demeaning columns from the *Chicago Tribune's* Mike Royko, especially when the Packers beat the Bears, Green Bay and its neighboring communities along the Fox River have a lot going for them. Together, Green Bay, De Pere, Kimberly, Kaukauna, Little Chute, Appleton, Menasha, Neenah, and Oshkosh form a linear city about 50 miles long that is home to about 485,000 people. Unemployment is remarkably low. So, too, are crime, homelessness, and poverty. This linear city in northeastern Wisconsin is home for health- and life-insurance corporations. It is a major food producer with meat packing, canned and frozen vegetables, and cheese. It is a center for making paper, paper products, and machinery for the paper industry. It is a regional medical and shopping center. Two decades ago, restaurant choices were limited almost entirely to supper clubs, but today, a wide assortment of restaurants afford a broad choice of cuisine.

The area is home to two high-quality liberal-arts colleges, two technical colleges, and two comprehensive campuses of the University of Wisconsin System enrolling 16,000 students. The Weidner Center is a new 2,000-seat, performing-arts center on the campus of the University of Wisconsin-Green Bay. Built and maintained largely by private gifts, the center's acoustical quality is widely renowned. It hosts a full slate of national and international cultural programs that play to full houses.

They say that two decades ago, irreverent wags made side bets at the intermission about whether Green Bay's symphony orchestra would actually complete the Mozart piece scheduled later in the program. No longer. The city's symphony orchestra is very good. Its season is always sold out by subscription; it operates without a public subsidy. Green Bay even has a fledgling opera company. Because the University is associated with the State of Wisconsin's extraordinary public radio and television networks, area residents have access to the very best in broadcast entertainment.

Outdoor recreation is excellent. Lake Michigan, Door County, and the north country offer sailing, boating, fishing, whitewater kayaking, canoeing, hiking, camping, hunting, skiing, bird watching, and more. Minutes from Green Bay, one can experience an exceptional small-mouth bass fishery, troll for 40-pound salmon, fly fish for trout or steelhead, seek walleye pike, or stalk muskellunge. And the water is remarkably clean and getting cleaner.

At the other end of the Fox River's chain of cities, less than an hour's drive, the Experimental Aircraft Association's museum and annual "fly-in" in Oshkosh offer unique recreational experiences. The area has a successful minor-league baseball team and minor-league hockey. College sporting events are well-attended. The men's basketball team of the University of Wisconsin-Green Bay, which has participated in the National Collegiate Athletic Association (NCAA) national tournament three times recently, sells out its games in the Brown County Arena.

For those with more cosmopolitan tastes, Chicago's Loop is about a three-hour drive and Milwaukee is less than two hours in the same direction. The newly refurbished airport connects with Milwaukee, Detroit, Chicago, Minneapolis, and other cities.

Best of all, northeastern Wisconsin offers no-hassle living. Despite the continuing growth, government has kept pace with an excellent public infrastructure that keeps rush hour down to rush minute.

This description is not intended as a commercial message for northeastern Wisconsin. Many of us who live here think it is just fine that a nationally televised Packers home game frequently shows blizzard conditions. We hope people continue to remember the Ice Bowl and do not move here. What the description is intended to do is to help the reader understand that the Packers mean a lot, but not because there is nothing else to do.

WHAT DIFFERENCE DO THE PACKERS MAKE?

The Packers bring to the Green Bay area what everyone hopes a big-league franchise will bring to their town. It is what Indianapolis hoped for when civic leaders were trying to lure the Colts from Baltimore years ago. It is what Oakland missed until the Raiders moved back there last summer. It is what Jacksonville, with its National Football League team, and Charlotte, with its National Basketball Association team, are celebrating. It is what Nashville, the big leagues' perennial bridesmaid, longs for. The Green Bay Packers are a major institutional asset and amenity for northeastern Wisconsin. The team contributes both directly and indirectly to the economy. The team also adds to the quality of life in Wisconsin, even during losing seasons.

Since frontier days, local boosters across America have tried to capture some special feature for their town or would-be town. A century ago, civic boosters tried to get the railroad to stop at their town, envisioning growth, real estate appreciation, and increased sales. Today, boosters are more likely to aim

at creating a magnet to attract tourists, industry, or other economic activity. Long Beach acquired the Queen Mary and the Spruce Goose. Lake Havasu bought London Bridge. The chase for professional-sports franchises is not much different. People in most communities expect that having a major-league sports team will contribute to the viability of the local economy and put their city on the map. Like Indianapolis with its Hoosier Dome, civic boosters often invest millions of dollars trying to attract a team. They do so in the belief that it will bring special benefits. This section explores those benefits.

The Economic Benefits

Two distinct kinds of economic-benefits impacts stem from having a major-league franchise in a city. The first is direct economic benefit, which is easily measured. The second is the indirect effect. It is much more difficult to measure indirect effects — but, these days, they may well be more important.

Direct Economic Impacts

Adam Butler arrived in Green Bay on a Friday in August. He was a newly hired assistant professor at the University of Wisconsin-Green Bay who had decided to stay at a motel for a few days while apartment hunting. What Dr. Butler did not know is that he arrived in the city the night before a Packers home game. Butler was out of luck. All he found were “No Vacancy” signs; out-of-town fans had rented all the hotel and motel rooms in the metropolitan area. And it was only a preseason game!

Butler’s experience represents one of the measurable direct economic benefits of having the Packers in Green Bay. Every home game means “No Vacancy” signs at hotels and motels, waiting lines in restaurants, a boost in vending-machine sales, and crowded sports bars and night spots. Every home game means more shoppers and cash registers that ring more often.

In 1987, a consulting firm assessed the impact of the Packers on Green Bay and surrounding Brown County.¹ That study, almost a decade old now, estimated that fans spent about \$830,000 on each home game (in today’s dollars). Of that, about \$270,000 (in today’s dollars) was spent in the stadium on beverages, food, parking, souvenirs, and programs.

The same study estimated a single Packers season had a \$44 million impact (in today’s dollars) on metropolitan Green Bay. Researchers included the effects of the economist’s multiplier effect. The multiplier accounts for the total impact generated by a dollar of income to a business from outside the region.²

Back in 1987, the Packers played half of their home games in Milwaukee. After 62 years of playing at least some games in Milwaukee each year, the Packers decided last year to play all their home games in Green Bay. The Packers now play eight regular-season and two preseason games in Green Bay. The direct economic impact of the Packers on Green Bay’s economy today, therefore, is much greater than back in 1987.

Assume, conservatively, that the amount spent on each game by the average fan is the same as it was in 1987, adjusted for inflation. If that is so, then five additional home games each year would generate additional direct expenditures by fans in Brown County of at least \$4.2 million (in today’s dollars). Using the same multiplier the consultants used in the 1987 study, the overall additional benefit to Brown County would be approximately \$13 million. The benefits to greater Green Bay may be entirely net benefits, since little if any of that money would otherwise have been spent in northeastern Wisconsin.

The direct economic benefits are clear. Analysts estimated that in 1987, more than 90% of the Packers’ revenue originates from outside Brown County and thus generates new income rather than simply recirculates local income. In 1987, the Packers spent about \$10 million in Brown County and out-of-area fans spent another \$2 million. That same year, Packers players, employees, and the corporation

paid about \$1.6 million in taxes and user fees to the State of Wisconsin and to local government, far more than required to provide these groups with public services.³

Substantial direct benefits come to Green Bay from the Packers, but the numbers are not enough to make or break the community. The economic impact on Brown County is roughly that of a firm with 600 employees paying its employees an average of \$25,000 per year. Such a firm would rank about 25th in the list of the largest employers in the county. As local pundits are quick to point out, however, the Packers are a smokeless industry that does not draw heavily on the community infrastructure. Some grouse that the Packers a few years ago bought almost everything, from uniforms to souvenirs, from local businesses. Today, the business side of professional-sports business has grown more complex. Management has become more professionalized and is drawn more frequently from outside the local area. The team buys more merchandise from outside the region. The positive effect on local merchants and the local economy benefit is, to that extent, reduced.

What is the economic value of the Packers to Green Bay and the surrounding area? One way to look at this question is to look at the street price of a National Football League franchise. Packers General Counsel Lance Lopes says, "The market value of a franchise is extremely difficult to estimate. It depends on the size of the market in which it is located and, to some extent, the flexibility the owner may have in moving the franchise to an area with a greater potential market."⁴ Green Bay's franchise is unique; it is the smallest market in all of American major-league sports. Moreover, moving the franchise somewhere else would be extremely difficult, for reasons explained later. Valuation, therefore, is extremely difficult. It is rumored, however, that a National Football League franchise recently sold for about \$180 million. A conservative estimate, then, is that it would cost at least \$100 million to replace the Green Bay Packers franchise, if it could be replaced at all. It would cost perhaps another \$100 million to replace the stadium, parking lots, Packers Hall of Fame, and practice facilities.

Quality-of-life benefits aside, one can think of the Green Bay Packers as a \$200 million community asset that generates at least \$60 million in direct economic benefits to the community each year.

Indirect Economic Impact: The Critical Role of the Regional Amenity

Bill Brault, who directs Green Bay's Visitor and Convention Bureau, says the Packers are the city's main attraction. "They give us an image you cannot buy," says Brault. "There's absolutely no way you could buy all that air time or newsprint."⁵

These days, having a big-time amenity in or near a city is critically important to a community's self-image and to its long-term economic well-being. Having a major community asset, especially in a smaller urban area, can make the difference between flourishing and stagnating. Green Bay has magnificent water resources, a strong industrial base, and a big-time Indian casino, but the Packers are the special asset that gives the city visibility across the country.

- ***Changes in the forces driving urban development.*** The driving forces underlying city location, growth, development, and decline have changed during the past few decades. Historically, some cities flourished because they were close to a natural resource, such as iron ore, oil, timber, or fishing grounds. Others flourished at a point where manufacturers could assemble resources from diverse areas easily. The great steel-making cities of the northeast were in locations where trains and Great Lakes freighters could bring coal, limestone, and iron ore together efficiently. Other cities, like New York, Chicago, Baltimore, and New Orleans, emerged where shippers transferred freight from one means of transportation to another — from ships to rail or *vice versa*. Or they were like Chicago, where rail lines from east and west converged to a single narrow channel on the south end of Lake Michigan. Meat-packers there converted live beef from the west, fattened on Illinois corn, to swinging halves and quarters for consumption in the East. St. Paul and Minneapolis were a rail hub on the Mississippi River. Millers converted western wheat into flour and packaged food for convenient shipment across the country.

In short, for centuries, “supply” was the driving force that determined which cities would thrive and which would not. Supply locations are still important. Businesses still look at the quality and the cost of labor supplies and at access to special resources. Recently, however, “demand” has become much more important than ever before in determining location decisions. Many businesses and industries are not dependent on resources or shipping lanes. They are more attentive to being in a location with high demand for their products and with special amenities that make living there pleasant. Those who call the shots about location are interested in the quality of life a place has to offer.

Proximity to resources and main shipping channels is less important now than ever before in history. Three main reasons tell us why. *First*, our national economy has shifted from a heavy emphasis on extractive industries (mining, logging, and so forth), heavy manufacturing, and agriculture. We produce more services. We sell information and ideas. We can produce information and ideas anywhere. We can ship corporate insurance policies cross-country without a truck. Even manufacturing has changed. Bringing the manufacturing closer to the customer is often more efficient than shipping the finished product long distances. It is no surprise that Detroit no longer has a monopoly on the American automobile industry. It makes sense to build cars near the markets they serve. Saturn’s decision to build cars in Tennessee reflects lower labor costs there, but it also reflects a decision to build cars between the large but declining centers of the north and the rapidly growing Gulf Coast and south Atlantic shore. Moreover, many of our manufactured products are small and have high value per pound. Business can ship them anywhere for a tiny fraction of their value. One can put a million dollars worth of computer chips in the trunk of an automobile or move them anywhere in the world overnight by plane.

That brings up the *second* point. Transportation is cheaper and less time-consuming than ever before. Trucks and airplanes make it possible to locate anywhere; it is no longer necessary to be on the rail spur or next to a deep-water harbor. Almost any of us could be in Europe for a business meeting tomorrow night or in Singapore for a conference Saturday.

Finally, communication has changed dramatically. Instantaneous worldwide communication is simple and inexpensive. Location is less important than ever before. One can fulfill the desire to live in an amenity-rich environment more easily now than ever before.

- *The need for a magnet.* Those who decide where they or their companies will locate are still driven by a locational imperative. “Location, location, location” is still important, but the meaning has changed. Those who produce goods and services are, more than ever before, free to locate in whatever metropolitan region they want. More frequently than ever before, they are choosing to locate in places with a highly desirable quality of life — places with one or a cluster of amenities. The amenities that shape the quality of life are, therefore, a new driving force in decisions about business location and expansion and in individual decisions about where to live. Regional and urban amenities are the new magnets for metropolitan development. Cities and metropolitan areas that are developing socially, culturally, and economically are those that have something special going for them

These days, a metropolitan area concerned with its future had better be concerned with having one or more special amenities or assets. Having a special amenity is not necessary, but if a city does not have at least one, it had better have some other compelling force driving its development.

Only a few places are blessed with outstanding natural amenities — those features with the special character and attractiveness that helps ensure continued development. Only a few cities in the United States have dazzling mountain views. Only a few have a Mediterranean climate and azure Caribbean seas just beyond a seemingly endless white sand beach. Fewer still are next door to the grandeur of the Grand Canyon, Yosemite, the Rockies, Mount Hood, Mount Rainier, or San Francisco Bay. Those that do have those special resources are growing. Those that have a cluster of natural amenities — oceans, mountains, and a Mediterranean climate — experience extraordinary growth.

Most of us live in places that have good points and fine features, but lack special, magnificent

natural assets. When a community does not have a natural magnet of consequence, it must invent an institutional magnet. Communities with drive work hard to create and maintain institutional or organizational amenities that augment or overcome modest natural features.

Some places make a go of it relying almost entirely on institutional amenities. Las Vegas does it with gambling. So does Atlantic City — though it also had, historically, a major natural attraction in its beaches. Summer in Nashville, Tennessee, and Branson, Missouri, is hot and humid. Neither has a Mediterranean climate. Both use country music and heartland traditions as their primary magnets. Indianapolis is a charming, thriving city. Its leaders had to overcome an almost complete lack of natural amenities as the city's location became less and less relevant.

Some places have clusters of amenities that help ensure vitality. Anaheim and Orlando have year-round warmth, proximity to the ocean, and Disney. San Diego and Tampa have pleasant climates, oceans, beaches, and major-league sports.

Sometimes, amenities can overcome serious obstacles to development. The air in Los Angeles is foul and hazardous to one's health, vast areas of the metropolis are off limits because they are so dangerous, the city spreads for a hundred miles north and south and east and west, they import all the water over a great distance, rush hour is 24 hours long, the airport fogs in when you most need it, and the city is overdue for a devastating earthquake that will kill hundreds if not thousands of people. Still, growth continues almost unabated; the city has a warm desert climate with palm trees, an ocean, mountains, lemon and avocado trees, and is home to a massive entertainment industry.

In response to the clusters of climatic and institutional amenities found there, Americans are gravitating to the West Coast, to the Gulf Coast, and to the southern Atlantic shores. In their wake, they have left cities in the Northeast and Midwest scrambling to avoid becoming members in good standing of the rust-belt club. The scrambling often manifests itself as a struggle to obtain a big-league franchise or another institutional amenity. Indianapolis, once a symbol of the rust belt, parlayed the Hoosier Dome and hard work into a city that is doing just fine, thank you. What Indianapolis gained, Baltimore lost when the Colts slipped away to central Indiana under cover of darkness.

In this age of what I like to call "Colonel Sanderization," it is increasingly difficult to distinguish one American city from another. Suburban malls in Seattle, Salinas, Sacramento, and Syracuse boast outlets of the same retail chains. Airports look alike. Housing is the same. The cities that are doing well are the ones that can differentiate themselves and that can augment their natural assets with institutional amenities. The amenity might be as bizarre as Wall's Drug Store in South Dakota, origin of a million or more bumper stickers. It might be the Corn Palace in Mitchell, South Dakota, where artists create new murals on the exterior walls each year from individual pieces of grain. The Circus World Museum in little Baraboo, Wisconsin, is a special amenity for that community and, also, for Milwaukee. Each year, the museum loads up a circus train that toots its way from Baraboo through southeastern Wisconsin to Milwaukee. In Milwaukee, the train unloads just as circuses did all across the country decades ago. Elephants and roustabouts set up a circus city and tens of thousands gather for the Great Circus Parade. In Green Bay, the Packers are an institutional amenity of consequence. The Green Bay Packers amenity includes Lambeau Field with its tradition, the Packers Hall of Fame, the Packers games themselves, and the legend and lore that go with a 77-year history.

Having a major-league team helps even a small metropolitan area off the beaten path, like Green Bay, become a more cosmopolitan area. Having a team means bringing the community name before a national and even international public regularly. It means having national celebrities and big-city camera crews in town at least 10 times a year. Having a major-league football franchise distinguishes 30 metropolitan areas in the United States from 300 others. A local major-league team means no-cost, long-term institutional advertising for the community.

- ***Economically important and almost impossible to measure.*** In 1987, Dr. James Murray

interviewed executives of Green Bay area firms ranging in size from 50 to 800 employees. The firms had annual sales ranging from a few million to several hundred million dollars. His goal was to learn whether the Green Bay Packers have a measurable indirect economic value to industries in the local economy.

Most executives interviewed said that the Packers generate economic value for their individual companies. "Being from Green Bay," reported Murray, "enabled them to be more successful in the national marketplace."⁶ They also said, however, that the presence of an NFL franchise would *not* be a factor in choosing Green Bay over another location for their business.

No one knows how many, if any, firms decided to build or stay in northeastern Wisconsin because someone had or wanted Packers season tickets, served on the Packers Board of Directors, or simply counted the Packers into the area's quality of life. What we do know is that the Packers contribute positively to the quality of life in northeastern Wisconsin and to people's perceptions of the desirability of the area. We know that the Packers add to the magnet that public and civic leaders in northeastern Wisconsin hope is big enough and strong enough to ensure continued economic and social vitality.

Contributions to the Quality of Life

The Green Bay Packers, whether winning or losing, contribute significantly to the quality of life in Green Bay and the surrounding area. Of course, the impact on the quality of life is much better when the team wins. Monday mornings in Green Bay following a loss makes it look as though clinical depression were contagious.

The impact on the quality of life, however, extends beyond whether the Packers could overcome the Chicago Bears the previous week. It has to do with individual and group identification with a major-league team, recognition outside Wisconsin, differentiation from other places, and contributions to a sense of community.

Community Differentiation and Recognition

Wisconsin's state legislature struggled in the summer of 1995 deciding whether to enact legislation that would help build a new stadium for the Milwaukee Brewers baseball team. If a new stadium were built, the team's owners would commit to stay in Milwaukee another 30 years. The debate was intense. Marlin Schneider, a colorful Assembly representative from the middle of the state, summed it all up. "Without the Brewers, without the Bucks, without the Packers, we ain't nothing but another Nebraska!"⁷

Assemblyman Schneider did not intend to malign Nebraska. He was simply expressing the significant difference that having big-league teams means to Wisconsin residents. The Bucks and the Brewers give credibility to Milwaukee as a big-league city. They enable Wisconsin residents outside Milwaukee to identify with and have a direct link with the big time. The Packers distinguish Green Bay from Grand Island, Omaha and Lincoln, but also from Dubuque, Saginaw, Peoria, Paducah, and Nashville. The team enables Wisconsinites to identify with and relate to a major-league operation. Given the extraordinary emphasis on sports in the United States, that identification is important to many people.

The Packers mean instant recognition for anyone from the Green Bay area traveling across the nation. I cannot begin to count the number of times a cab driver in Washington, San Francisco, or New York, on learning I was from Green Bay, began a discourse on the Packers' current or past season. This past year, conducting research interviews with southern California business owners, more than one door was opened because the owner, seeing Green Bay on my card, wanted to talk about the Packers or about the local university's basketball team that had beaten the University of California in the NCAA tournament.

John Torinus, in his book *The Packer Legend: An Inside Look*, tells how, in a small restaurant on Italy's Adriatic Coast, a local resident approached him who asked, "How's Bart Starr's arm?"⁸ Almost everyone from Green Bay who travels internationally has had some comparable experience. People from Germany to Indonesia, on learning I was from Green Bay, asked about the Packers.

The Green Bay Packers are a source of recognition for and of differentiation of the community; they are the most significant and widely known means of distinguishing that community from a thousand others. Even more important, the Packers are a symbol to the people who live there that Green Bay is more than just a little town on the edge of the great boreal forest. The Packers are a symbolic link with the rest of the country and, especially, with the nation's significant metropolitan areas.

There is a downside to identifying with the Packers. Green Bay fans usually say "we" when talking about the Packers. Identifying too closely with the team means that one ties one's self-esteem to something over which one has no control. Few Packers fans have any influence over whether the team wins or loses, but many fans take it personally when the team is not doing well. It is as though their own ego and perception of self-worth are integrally related to how well the team performs. To a considerable extent, perceptions of individual and collective well-being are tied tightly to the Packers' win-loss record. Monday-morning mood swings between rapture and despair depend on the level of identification.

Part of the reason Packers fans identify so much with the team may be because of the peculiar American assumption that bigger is better. One sees it too often. We assume that a person in a bigger business is smarter than someone in a smaller business. We assume a federal official is smarter than a state or local official. A resident of a larger city must be more savvy than someone from a smaller city. This strange belief may be a hangover from the days when we were moving from isolated farms to metropolitan areas. Newcomers from small towns were hicks who just fell off the turnip truck. Or it may be the manifestation of some distorted notion of natural selection and Social Darwinism. Whatever it is, it may help explain the considerable identification of Packers fans with the team and its performance.

Enhancing the Sense of Community

The Green Bay Packers and the history surrounding them form a common bond among members of northeastern Wisconsin and across the state. Shared myth, legend, and lore contribute to a sense of community. The team is a common denominator, a common symbol of belonging, and a binding force that cuts across social and economic lines. The Packers' impact is greater than it would be on a larger city because there is so much Packers history and because, since the town is so small, the Packers are extremely visible.

It is one thing to have a major-league team in your city. It is quite another to have a legend that permeates an entire state. Building a legend takes time. Some core elements are essential. These include an adequate array of "Dragon Slaying" events and epochs, a host of heroes and demigods, a link between one's personal life and those heroes and demigods, and enough time for selective recall to take hold. Packers history supplies ample quantities of all those elements.

- ***Myth, legend, and lore.*** Green Bay has had a professional or semi-professional football team nearly every year since 1896. The first recorded semi-professional football game in Green Bay was between Green Bay and Marinette, Wisconsin, on October 1, 1896.⁹ The Packers team was founded in August 1919. The Indian Packing Company, shortly thereafter purchased by the Acme Packing Company, sponsored the team. The owners gave Earl J. "Curly" Lambeau a job at the packing plant and designated him to manage and coach the team. Curly, legend has it, talked his boss into applying for a professional-football franchise. The American Professional Football Association subsequently granted John and Emmet Clair of the Acme Packing Company a franchise on August 27, 1921, for \$50.¹⁰

The Packers, as perennial underdogs and representatives of small-town America have been

blessed with wonderful foes and dragons. George Halas, founder and owner of the Chicago Bears, was a worthy dragon for five decades. The wars began in 1922. In those fledgling years of professional football, it was against league rules to use college players to augment one's team. George Halas' college ringers spotted Curly Lambeau's college ringers in a non-league game the Packers were playing in Milwaukee. Evidence suggests that Halas turned Lambeau and his Packers into the league president, Joe Carr. The league revoked Curly's franchise. It was later reinstated, but the event contributed to what had already become a fierce rivalry.¹¹ For decades, tens of thousands of Wisconsin kids understood that the words "George Halas" meant "cagey and fierce enemy of our Packers" since time began and he was an object of unspoken respect.

Early dragons were big-city teams whose fans looked with disdain on the country boys from tiny Green Bay. They slew one dragon when the Packers beat up the New York Yankees football team (13-0) in 1927 in their very first trip ever to the Big Apple. The following year, in 1928, they slew the New York Giants in New York (6-0). Eleven times, they slew all the dragons to become professional-football world champions. Every year, the dragons reappear as Bears, Lions, Giants, Vikings, and Cowboys.

Legendary heroes ran, threw, and kicked the ball as they slew dragons. Some of their names are found in the National Football League Hall of Fame: Curly Lambeau, Cal Hubbard, Don Hutson, Johnny Blood McNally, Clarke Hinkle, Mike Michalske, Arnie Herber, Vince Lombardi, Tony Canadeo, Jim Taylor, Forrest Gregg, Bart Starr, Ray Nitschke, Herb Adderly, Willie Davis, Jim Ringo, Paul Hornung, Willy Wood, and Henry Jordan. Other legendary heroes include "Buckets" Goldenberg, "Lavvie" Dilweg, "Cub" Buck, "Fuzzy" Thurston, Jerry Kramer, "Hawg" Hanner, "Jug" Earp, Tobin Rote, Boyd Dowler, and Max McGee.

- ***The Packers' presence: feeding the myths and legend.*** Legend and lore are especially effective in building community identity if the heroes are visible from time to time. The Packers have always been visible in Green Bay.

Myths and legends abound in Green Bay, and it doesn't take much to get people to talk about them. Clyde Truttmann reports, "Don Kress and I played catch with Don Hutson all the time. He lived just down the street." Jake Rose, retired banker, and Dan Beisel, retired newspaper publisher, recall when they and their boyhood buddies, Stu Stiles and Roland Kennedy, played touch football with Johnny Blood. Beisel recalls with relish how he beat Blood in a table tennis match at Ann Burke's house as a boy. "The older I get," recalls Beisel, "the more I think he let me win."¹²

When pressed, Rose will also tell how his grandfather is responsible for bringing Curly's father, Marcelle Lambeau, to Green Bay to work with him in the stone-masonry business. He will also tell, if pressed, that it was he who introduced Curly Lambeau to Vince Lombardi. My late father-in-law told repeatedly of his basketball encounters with Arnie Herber and Clarke Hinkel in New Franken's Cosmopolitan Hall (New Franken then had a population of about 50 people).

Retired players from the 1940s and 1950s tell about legendary fights on train trips to games in Cleveland or wherever. Folklore includes an array of amazing tales concerning the boisterous exploits of Hornung and McGee in local night spots, despite Lombardi's constant vigilance and the ax he held over the head of those who would violate his training rules.

The legends include stories of when then-Vice President Nixon, Miss America, and television's *GunsMoke* star James Arness all came to Green Bay in 1957 to help dedicate the new Packers stadium. The legends grew when President Ford came to help dedicate the Packers Hall of Fame. It was appropriate that this President come to Green Bay for the dedication. Curly Lambeau had, after all, invited Ford, many years before, to try out for the Packers when he completed his college-football career at Michigan.¹³ The legends, at least those deemed fit for print and film, live on through the Packers Hall of Fame.

- ***The Packers' presence today: a community bond.*** It was a weekday morning during the Packers' "bye week," the week in which the team did not have a scheduled game. I was in the Packers' corporate offices to interview Mark Wagner, the Packers' ticket director. I found him seated cross-legged on his desk reading the names of charities from various Wisconsin cities to Reggie White, the perennial all-pro defensive lineman. White was autographing a pile of footballs for those charities, making certain Wagner gave him the exact spelling of each name. Charities will auction each ball or place it high on the list of raffle prizes.

John Jurkovic, the Packers' good-natured nose tackle, almost a cinch for the All-Madden team of "real" football players, was just down the hall. He was exchanging small talk with women working in the ticket office. He leaned over a live microphone to joke over the loudspeaker with some unsuspecting person walking through the parking lot.

I asked Jurkovic how Packers got involved in the community these days. He responded that people leave messages on players' voice mail or write to them asking team members to do this or that. "And," he added, "the Packers have a speaker's bureau, so we get a lot of invitations through that."

Packers and ex-Packers and their wives are involved in many fundraising and community-support activities through the Packers, on their own, and through the league. Many Packers are heavily involved, for example, in cystic fibrosis charity events. Reggie White lends his name to a candy bar sold only through charitable organizations for fundraising. Ken Ruetters recently completed a book on parenting that is gaining popularity in Wisconsin and elsewhere. Ray Nitschke, the Packers' great linebacker from 1958 to 1972, is actively involved in cerebral palsy charitable work. Johnnie Gray, who played defensive back from 1975 to 1984, worked with the Greater Green Bay Area YMCA for years helping young people understand the importance of fitness and teamwork. The list goes on.

Beyond their charitable work, Packers players are visible elsewhere in the community. If you want to see professional football players close up and in the flesh, you need only drive up, park in the parking lot at the team's Lambeau Field corporate offices, and wait a few minutes. Players appear. Thousands of fans go to practices, sit in the stands, get autographs, and hobnob with players.

Kids in Green Bay bring their bikes to Packers practices, especially in the preseason, in hopes of getting one of their heroes to ride their bike back to the locker room while the bike owner gets to carry the player's helmet or shoulder pads. The kids vie for who will ride their bike, and the Packers play along. Fridays, after practice, kids know which video store to go to see their favorites, only some of whom live in Green Bay all year, pick out films for home viewing. One runs into Packers in restaurants, parking lots, shops, and wherever real people go to do the things people need to do. The Packers are accessible and visible to an extent that they could never be in a larger city. Not everyone in Green Bay has seen a Super Bowl or championship ring on someone's finger, but many of us have seen so many they are no longer a novelty.

It isn't just current Packers who are visible. Many former Packers and their families stay in Green Bay, Milwaukee, or somewhere in Wisconsin permanently or for a considerable time after they have retired from the game: Zeke Bratkowski, Tony Canadeo, Lavvie Dilweg, Jug Earp, Johnnie Gray, Gary Knafelc, John Martinkovic, Larry McCarren, Ray Nitschke, Brian Noble, Bart Starr, Jim Temp, Fred "Fuzzy" Thurston, and Eric Torkelson, among others. Many went into business here after their football careers. As a result, one regularly runs into them, their children, or their grandchildren in business, classrooms, community organizations, and everywhere else people gather. That integrated presence adds something special to the myth, legend, and lore.

One can speculate about other impacts of the Packers players on Green Bay and northeastern Wisconsin. My belief is that, in the 1950s and 1960s, the Packers contributed positively to race relations in Green Bay. Until recently, Green Bay and surrounding cities were remarkably homogeneous. Not only is the Green Bay area predominantly white, it is predominantly northern European. The city in

which I grew up, just south of Green Bay, was composed almost entirely of people who were Scandinavian or German and Lutheran or Catholic. Green Bay was home mostly to descendants of Belgian, Irish, German, and Polish settlers, along with a few hundred Oneida Indians.

My wife and I moved to Green Bay from Los Angeles after a decade-long absence from Wisconsin. A few weeks after we arrived in Green Bay, our two daughters came up to us one afternoon. They were obviously quite concerned about something. The older, then eight years old, speaking for the two of them, said, "We have something important to ask you." "Fine," I said, "What is it?" "Where," she asked, "are the brown people?"

Until the 1980s, the only black Americans that most young people in Green Bay got to know close up were Green Bay Packers. And they were Packers first and black people second. They were heroes: Willie Wood, Elijah Pitts, Willie Davis, and Emlen Tunnell. Today, many fans seem to respect Reggie White, a black American, as much for his religious and charitable activities off the field as for his very considerable prowess on the field. Young fans seem to me to be mostly colorblind when it comes to getting a Packers player to ride their bike or sign an autograph book. Judging from the player names and numbers on the jerseys young people buy at the Packers Pro Shop at Lambeau Field or at the neighborhood discount store and wear everywhere, fan preferences have more to do with how well players perform than with their color.

- ***The Packers' presence today: it's not all roses.*** I talked recently with a young woman who bears the burden of a one-night misadventure. A Packers player she met in a night spot fathered her child. He's gone. He makes modest child-support payments to her. This woman is raising the child, working, and going to college full-time. For her and for some others in the community, the Packers' presence is not all roses.

Professional football is a brutal sport. It attracts tough people who have exceptional football skills. The game pays them huge sums of money. Players are very young men, most of whom have been, for most of their lives, singled out for special attention. It would be extremely unusual if all these young men turned out to be exemplary citizens and role models. Some are not even close.

Most fans overlooked Paul Hornung's and Max McGee's night life in the late 1950s; the team was winning and they seemed like harmless antics. Fans have been less forgiving of Packers players arrested for rape, sexual assault, spouse abuse, assault and battery, driving while under the influence, and theft. Fans are less tolerant of players living it up the night before a game with public drinking and late hours when the team is headed for a 6-and-10 or 8-and-8 season.

Racial differences certainly play some role in conflicts that arise between players and the police and players and the community, but race does not seem to be a dominant factor. Both white and black players have gotten in trouble with women, drug and alcohol abuse, and the law. The problem seems to have more to do with age, ego, class differences, and a shortage of social skills than with anything else. Some professional football players have values, behaviors, and backgrounds almost entirely alien to traditional, socially conservative Green Bay. It is common for young men a long way from home, with money in their pockets, to get into trouble. I recall seeing 30,000 young sailors from a dozen countries invade Waikiki the night their ships docked at Pearl Harbor following completion of a six-week multinational naval exercise. Lock up your wives and daughters! It is not pleasant, but, as they say, it comes with the territory. The Packers organization has, to its credit, traded away or released essentially all the players who had serious problems in the community.

Some friction between fans and the team develops because many Packers fans fancy themselves experts in coaching football and in managing football personnel. They spend considerable time second-guessing draft choices and trades. As with every team, some Packers personnel decisions have not worked out at all well. Fans with 20-20 hindsight still rankle over the decision to draft Tony Mandarich when the team could have drafted Barry Sanders. Mandarich, many thought, would become a legendary

lineman. He was a bust. Sanders is arguably the best running back in the NFL and has been for years. A decision some years ago to trade many draft choices for John Hadl, an aging quarterback, was disastrous. Adverse consequences were felt for years and the deal still generates derisive laughter in Green Bay, although all the principals in it are long gone.

Little things sometimes happen that leave a bad taste in everyone's mouth. For example, Dan Devine came to coach the Packers not long after Lombardi left for the Washington Redskins. He was not popular. His teams lost consistently. One night, someone shot his dog. Some saw it as a surrogate attack on Devine. Others argued that Devine let his dog run loose most of the time and that the dog was a neighborhood nuisance. In any event, it was an unpleasant experience for all concerned.

It isn't all roses, but, then, what long-term relationship is?

- ***The outcomes.*** The Packers and their long history generate considerable community pride, especially when respected, nationally known sports broadcasters and commentators like John Madden or Frank Gifford broadcast from Green Bay and laud Lambeau Field, reminisce about the Packers' greats, or talk about the legendary fan support. The extraordinary level of shared community pride evoked in Packers country by that kind of recognition would be extremely difficult to generate around any other local feature or characteristic.

Packers folklore also helps people in Wisconsin define who and what they are. Wisconsin's Packers fans go to games in the dead of winter, sit through blizzards to cheer on their favorites, and are faithful, even in losing seasons or, for that matter, losing decades. Packers fans are hardy souls. They are heartland people who, like their heroes, can slay dragons.

Two Special Benefits

- ***The concessions.*** The need for concessions was apparent even in the Packers' early days. They would provide sustenance to fans during the game and give the struggling franchise a way to make extra money. The problem was that no business firm wanted to take on the concessions. The team played only four or five home games a year, since they played half the games each season in Milwaukee. No one wanted to have to mount an effort to conduct business for so few games. Someone whose name is lost in antiquity came up with the idea of having local not-for-profit groups run the concessions for a share of the take. The idea stuck.

Today, the Green Bay Packers, which own the concession rights at Lambeau Field, contract with a private firm associated with the city's Visitor and Convention Bureau to manage the concessions. The private firm, in accordance with long-established tradition, contracts with local service clubs and charities to staff the concessions. Fans buy food and drink from the stand staffed by the Girl Scouts, the De Pere Lions, or any of several other local organizations. The contract specifies how many people are to work each stand, when the stand will be open, and other operating constraints.

This arrangement, unique in professional sports, generates about \$40,000 per game to the local service clubs and charities. That is about one-fourth of the gross proceeds on such sales. With 10 home games in 1995, local organizations will net \$400,000 in cash for their special projects and charities. That's a lot of bake sales.

As one might imagine, a long line of local service clubs and charities waits for rights to a booth. This very special arrangement provides very special benefits to the community.

- ***The Green Bay Packers Foundation.*** The Packers organization founded The Green Bay Packers Foundation in 1988 with a \$1 million endowment. The foundation's purpose is to support charitable organizations throughout Wisconsin. Income from the endowment finances the grants. The Green Bay Packers, Inc., funds the foundation alone; no funds come from the players or corporate officers.

Phil Pionek, executive assistant to the president, is responsible for foundation operations.¹⁴ He told me, “The philosophy of the foundation is to give smaller grants to more organizations and to do it statewide.” Pionek emphasized, “Grants are targeted mainly at programs to support youth and families and to fight things like family violence and drugs.”

In 1994, the foundation gave \$50,000 to support the Red Cross, youth sports, mental health, literacy, child care, retarded citizens, low-income housing, boys’ and girls’ clubs, and emergency shelters. In addition, grants were given to help support historical and botanical projects in the Green Bay area.

“The Packers corporation wants to be a good corporate citizen,” explains Pionek. “We want the endowment to support community needs of our fans all across Wisconsin.”

Many teams have foundations, so the Packers Foundation is not unique. Some Green Bay fans give more individually to charity than the Packers Foundation gives and wonder why the Packers do not do more for local causes. One reason is that the Packers give to support charitable programs across the state, not just in the Green Bay area. One might reasonably expect the Packers organization to continue to add to the foundation’s endowment. What we do not know is how much individual players give in time and money to charities in Wisconsin and in other areas. We know that some of them give very significant amounts.

WHY ARE THE PACKERS STILL IN GREEN BAY?

It has become a cliché to observe that professional sports is big business. Everyone knows that franchises migrate from one market to another in search of greater profit. Everyone knows that some owners are interested in the sport, but all owners are interested in the return on investment. In the face of all that, why is it that the Green Bay Packers team is still in such a small market? How can the franchise remain there?

One might like to think that the Packers remain in Green Bay because of legendary fan support and the hand of history and tradition. The fan support *is* legendary, but history and tradition do not have the hold they might once have had.

Straightforward, critically important institutional forces explain why the Packers remain in Green Bay. *First*, the Packers organization is a publicly held, not-for-profit corporation. It has benefited from prudent leadership and from five major “rescues” by a supportive community. *Second*, a set of supportive National Football League policies contributes to financial equity among teams in the league, making survival possible. *Third*, the Packers’ fan support is legendary, not just in Wisconsin, but across the country, and the Packers market is not as small as most folks think.

Stand by Your Team: A Series of Community Rescues

Rescue One: The 1923-25 Bailout

By its third year, 1922, the Packers organization was in financial trouble. Green Bay’s semi-pro city teams had survived for more than 20 years by passing the hat at games. It took more than that to support a professional football team, even in 1922. By the end of the 1922 season, Curly Lambeau’s club was on the brink of bankruptcy. Larry Names conducted extensive research on what followed. He reports it in his book *The History of the Green Bay Packers: The Lambeau Years, Part One*.¹⁵ Names observes that team owners undercapitalized the team to begin with. Besides, gate receipts were much lower than they had optimistically estimated.

One of the principal organizers of the football team, George Whitney Calhoun, was a reporter for the *Green Bay Press-Gazette*. If for no other reason than that, Andrew B. Turnbull, the paper’s business

manager, was privy to the football team's situation. Turnbull and three friends — Leland Joannes, Dr. W. Weber Kelly, and attorney Gerald Clifford — agreed that professional football was good for Green Bay and that the community should help the team. Not everyone else agreed. Other town business and civic leaders were reluctant to help.

After a year of trying to raise funds with limited success, supporters scheduled a fundraiser dance and pep rally for September 14, 1923, at the local Elks Club. More than 400 people showed up at the pep rally, in part because promoters promised to report round-by-round results of the Dempsey-Firpo fight being held that same night.

It was announced at the meeting that the reorganized football club would be a not-for-profit corporation. Fifteen people elected by the shareholders would comprise the board of directors. No officers would receive any compensation. Lamb would run the football operations. The team would donate any surplus funds at the end of each year to the Sullivan American Legion Post. Names reports that many of those present at the meeting were World War I veterans; at least part of the proposal made sense to them. Names also reports that Turnbull had made a side deal with the American Legion post commander to get his support for the fundraising effort. The Legion connection made patriotic sense and the not-for-profit organization ensured no one was going to gain any special financial benefit from the bailout.

Slowly and reluctantly, Green Bay rescued the football team from the brink of bankruptcy. It did so largely because Andrew Turnbull and his friends put their considerable talents and energy behind the effort.

Thus, in 1923, the efforts to save a fledgling football team created America's only major-league, not-for-profit sports franchise. For almost eight decades, that franchise has developed and grown, but it would not be the last time the community rallied to save the Packers from bankruptcy. Community reluctance characterized the 1923 bailout of the bankrupt football organization. Subsequent acts of community support to stave off bankruptcy and to enhance the team's well-being were much more forthcoming.

Rescue Two: A Stadium in 1925

The first big act of community support following the 1923 reorganization was construction of City Stadium in 1925. City Stadium, designed for football, was built in Joannes Park between the newly built Green Bay East High School and the city's East River. The Packers, the City of Green Bay, and the local school board financed the project.¹⁶ Total seating capacity was about 5,000, including 288 box seats. Unfortunately, the design omitted rest rooms. Men relieved themselves under the stands; women suffered or went home at halftime. Moreover, teams had to change in the East High School dressing rooms, a short walk away. Despite the design flaws, the three-way partnership that built City Stadium marked the first major project in which the community willingly and enthusiastically got behind the Packers to support the team when it needed help.

Rescue Three: Overcoming Insolvency in 1935

In the heart of the Great Depression, August 15, 1933, the Green Bay Football Corporation went into receivership, again insolvent. Lee Joannes, Jerry Clifford, Andrew Turnbull, and W. Weber Kelly, members of the team's Executive Committee and the same people who orchestrated the 1922 bailout, came up with a plan to save the Packers. Frank Jonet, the receiver, went along with the reorganization plan.¹⁷ The reorganized team would be the Green Bay Packers, Inc., instead of The Green Bay Football Corporation. The team would continue as a not-for-profit organization.

The members of the Packers' Executive Committee went directly to the business community with their plan. They argued that the Green Bay Packers were good advertising for the city and good for

business. Members of Green Bay's Association of Commerce bought into the idea and the plan. The association organized its members into teams that systematically worked designated areas of the city to sell shares at \$25 each for the not-for-profit corporation. The drive was successful. It raised approximately \$15,000, a large sum for a small town caught in the depths of the Depression, and breathed new life into the Packers.

Rescue Four: The Great Fund Drive of 1949-51

The Packers survived the Great Depression, but the team's financial situation deteriorated through the 1948 and 1949 seasons. The team was playing poorly and fan support wilted. Competition for players with a rival league in 1946 had escalated salaries significantly, pushing some clubs up against the wall financially. Finally, Coach Curly Lambeau made some poor business decisions that exacerbated the situation.¹⁸ The Packers found themselves again on the brink of oblivion.

The community came through again. Supporters scheduled an intra-squad scrimmage for Thanksgiving Day 1949 as a fundraiser. Some of the Packers' all-time greats would be there. Don Hutson would receive a few passes from Arnie Herber. Other Packers greats would demonstrate their skills. Ticket prices were \$3.60, \$2.40, and \$1.20. Almost 500 volunteers from throughout the community sold tickets in Green Bay, the Fox Valley, and selected other Wisconsin cities.

Packers fans awakened that Thanksgiving Day to a heavy snowstorm. The snow continued most of the day, blanketing the field and the city. But the fans showed up at City Stadium anyway, and the goal of \$50,000 was reached. The Packers were able to pay their most pressing debts.

The Packers' Executive Committee knew it would have to sell new stock to put the corporation on firm financial footing. When the decision to sell additional shares was made, Lambeau told the Committee that he knew of a group that would buy all the shares, provided the Packers became a profit-seeking corporation. It is widely suspected that Lambeau himself, with a newly elected committee member, Victor McCormick, were among those who wanted to buy the Packers.¹⁹

Lambeau's proposal was voted down. The majority of the Executive committee steadfastly insisted that the character of the Packers football corporation must be maintained as originally conceived, as a community nonprofit corporation.²⁰

Moreover, the Executive Committee designed the stock sale so that no one could buy more than \$5,000 in shares, virtually guaranteeing that no one could ever muster a coalition of shareholders into a majority. That action sealed the not-for-profit, community-owned character of the Packers.

The sale of stock was completely successful. The fans and local business people had come to the rescue. They came willingly. Eagerly. The team achieved firm financial footing and — even through years with dismal records, from 1950 through 1958 — the Packers remained solvent.

Rescue Five: A New City Stadium

City Stadium was home for the Packers from 1925 to 1957. By 1956, it was clear to everyone that City Stadium was clearly badly outdated and undersized — and still without rest rooms. For Green Bay to continue as a major-league town, it needed a new stadium.

The Green Bay Packers Executive Committee worked closely with civic leaders and with City of Green Bay and Brown County public officials.²¹ From the outset of discussions, it was clear that the city would take the lead role in building a new stadium. After considerable deliberation about how big and where the new stadium ought to be, a Cleveland, Ohio, consulting firm was brought in to provide expert opinion. The consultant recommended a site on what was then the far west of the urban area. The site was, however, close to the state's main north-south highway. That highway linked Green Bay with the Fox Cities and Milwaukee to the south and Marinette and Menominee to the north.

It was agreed. The consultants' recommended site would be the location for the new stadium. The agreement, right from the start, was that the city would build the stadium and that the Packers corporation would sign a 20-year lease that guaranteed at least half the cost of construction back to the city.

A public referendum was required because of the nature of the financing. The community launched a massive get-out-the-yes-vote campaign, headed by the *Press-Gazette* and staffed by hundreds of community volunteers. Even George Halas, the revered enemy, came up from Chicago to urge a yes vote at a downtown rally. Halas said the new stadium was essential to keep Green Bay competitive in the league.

The referendum passed by a two-to-one margin — 11,575 to 4,893. Work began immediately. The city promptly annexed the property, which had been in the Town of Ashwaubenon, adjoining the city. City and county work crews moved in heavy equipment, readied the site, installed sewer and water, and paved parking lots. Local voters had been promised the stadium would be built for \$1 million or less. It was completed for \$969,000, plus the largely uncounted efforts of municipal employees, equipment, and departments.

The dedication, September 29, 1957, was completely successful. There was a parade. Miss America and Vice President Nixon smiled and waved to the crowds. The Packers beat the Bears, 21 to 17. What more could one ask?

Curly Lambeau died at his summer home in Door County, Wisconsin, in summer 1965. That same year, City Stadium was renamed Lambeau Field in his honor.

The fans, business and civic leaders, local government, and the Green Bay Packers, Inc., had come together again to ensure the team could remain in their community. It has been almost 40 years since then. No local rescues have been sought or been necessary since.

Instead, the Packers have made continuous improvements in the stadium from the corporation's resources. The Packers' expenditures on the city-owned stadium are unique in professional football. Improvements began during the early Lombardi years. The stadium was designed for 32,500 seats. The Packers' investments brought that total up to 60,970 this year. New practice facilities have been added, including an enormous indoor practice facility named after all-time Packers great, Don Hutson. In just the past six years, the Green Bay Packers, Inc., has spent more than \$25 million on improvements to the football facilities. The Packers organization continues to make lease payments to the City of Green Bay from a surcharge on tickets. Green Bay recovered its total investment in the stadium long ago. The relationship is smooth and easy. It benefits both parties.

The Packers Organization Today

Today, the Packers organization remains a publicly held, not-for-profit corporation. Not all not-for-profit corporations achieve full tax-exempt status: the Packers corporation is exempt from state and local taxes, but pays federal taxes.

The corporation's 4,634 shares are owned by 1,898 shareholders who live in 50 states and three foreign countries. Corporate rules prohibit anyone from owning more than 20 shares. Consequently, there is no majority shareholder. Shareholders do not receive dividends; their stocks are, for all practical purposes, honorary.

The Green Bay Packers, Inc.'s Board of Directors has grown to 45 members. Though most are from northeastern Wisconsin, a handful come from other parts of the state, most notably Milwaukee. A seven-person Executive Committee exercises corporate control. No member of the Board of Directors, including the Executive Committee, receives any compensation, except for the president, who is also the

chief executive officer of the corporation. Executive Committee members occasionally fly to out-of-town games and have a few other perquisites, but they do not receive salaries or stipends.

Selling a not-for-profit corporation is usually extremely difficult. The core problem is determining who should receive the proceeds of the sale. As reported above, the Packers' Executive Committee, years ago, designed the organization to make conversion to a profit-seeking firm extremely difficult. Should the Packers franchise ever be sold, the net proceeds of the sale would go to the same American Legion post that was designated to benefit from any surplus funds in 1923.

Article VI of the Green Bay Packers, Inc., Articles of Incorporation, first written in the rescue of 1935, leaves no doubt about what the authors had in mind:

The corporation shall be nonprofit sharing and its purpose shall be exclusively for charitable purposes. No stockholder shall receive any dividend, pecuniary profit or emolument by virtue of his being a stockholder.

Should there be a dissolution of the Green Bay Packers, Inc., the undivided profits and assets of the Green Bay Packers, Inc., shall go to the Sullivan-Wallen Post of the American Legion for the purpose of erecting a proper soldier's memorial, either by building, clubhouse, hospital or other charitable or educational program, the choice of which the directors of this corporation shall have advisory control.²²

A sale, if it could ever be consummated, would most probably generate substantially more than \$100 million. That sum could create a rather substantial soldier's memorial. It is unlikely that such a sale will take place during my lifetime or yours. A truly unusual and unforeseeable set of circumstances would have to arise for a sale even to be contemplated.

The not-for-profit status of the Packers does not ensure success; it merely provides a continuing opportunity to seek success. It takes some pressure off the management. "The Packers," according to one source close to the team, "can focus on winning football games and on surviving. The management does not have to be concerned with ensuring an adequate return on investment." More than that, the not-for-profit status helps ensure fans that, if they do their part and if Packers management does its part, the team will be around for many more years. The affair can be stronger because of the confidence each has that the other will be there.

NFL Rules Make the Packers' Survival Possible

The Packers' organizational form ensures the team will be in Green Bay, but, without favorable National Football League policies, it is unlikely that the Green Bay Packers could survive financially. The policies have to do with revenue sharing and salary caps.

Shared Revenue and Salary Caps

- ***Shared revenues.*** The NFL shares revenue from some sources equally among the 30 franchises. These include national and regional television revenues; they account for about two-thirds of the Green Bay Packers' revenue. Green Bay's television market covers an enormous area, extending from the Fox Cities to the south and north far into Michigan's upper peninsula. Even so, Green Bay is only about the 70th-largest television market nationally. Without shared television revenue, the team would be at a serious disadvantage.

The league shares revenue from NFL Properties. Essentially, this means the league shares the revenues it receives from the sale of an incredibly large array of merchandise carrying team logos. Every sweatshirt or baseball hat sold with a Packers logo provides revenue to all NFL teams. Green Bay more than holds its own in the sale of merchandise sporting an NFL logo. In 1994, products with a Packers

logo were the seventh-largest seller in the United States and abroad. As of September 1995, sales of merchandise sporting the Green Bay logo are fourth nationally among NFL teams. Packers-logo products sell well across the country. A good share of the sales are in Wisconsin, but the Packers' share of sales across the country is disproportionately large. Overall, however, revenues from allowing merchandisers to use team logos accounts for significantly less than 10% of team revenues.

Ticket revenue is also shared. "Certainly," you volunteer, "the Packers must lead the league in ticket revenue, having sold out every game since 1958! Actually, Packers ticket revenues are about average for the league. This is because total revenue equals number of tickets sold times the average price of a ticket. Packers tickets are among the very lowest-priced in the league. Even outstanding attendance at Packers games is not enough to offset the effect of the low prices.

Not all ticket revenues are shared. Each team gets to take 15% off the top for expenses. The balance is shared 60-40 with the other teams. Sales of luxury sky boxes are not included in the shared-revenue package. The sharing is not exactly equal among teams all the time. Expansion teams do not share equally for the first years they are in operation.²³ Ticket sales for the Packers organization account for about one-fourth of the team's revenue.

- **Unshared revenues.** Some revenues are not shared. Revenue from local radio and television broadcasts are kept by each team. Because its market is so small, Green Bay's revenue from this source is among the lowest in the league.

The Packers also own the rights to concessions and receive unshared revenues from that source. Local fans may not believe it, but prices for concessions in Green Bay are perhaps the lowest in the league, so the revenue received is commensurately low.

- **Salary caps.** Green Bay television viewers are accustomed to seeing and hearing some of their favorite Packers players in locally produced television and radio commercials for everything from trucks to furniture. Players and coaches have television and radio programs or appear exclusively on one or another television channel or network. Green Bay does not afford players as good an opportunity as some other cities, however, to star in television shows or motion pictures. And, while former players lend their name to restaurants and saloons, no player in Green Bay has anything like Michael Jordan's chic Chicago restaurant. This is small-town America. Consequently, players salaries and bonuses, while extravagant by any standard except show business, are not augmented locally by lucrative side contracts.

The city's size and limited access to the glamour market make it difficult to recruit top players now that players have achieved free agency through negotiations with the league. Players who become free agents are free to play wherever they can cut the best deal inside and outside the stadium. To help maintain some degree of parity among teams, the league imposed a salary cap on total team payrolls. Bob Harlan, the Packers' president, acknowledges the importance of the salary cap to Green Bay's ability to field a competitive team. "Without shared revenues and salary caps," Harlan reflects, "it would be very difficult for the Packers to compete financially."²⁴

The Dallas Cowboys football franchise is testing the league salary-cap policy. The Cowboys recently paid a premier player who was a free agent a huge bonus to sign with the team. The bonus, argue the Cowboys, should not count under the terms of the salary cap. The league disagrees. If Dallas wins the debate, then teams that can generate large sums of money outside the shared-revenue pool will be able to attract a disproportionate share of top talent. League parity will be a thing of the past. The Packers would no longer be able to mount a seriously competitive team.

Dallas is also challenging the revenue sharing approach underlying NFL Properties. The Dallas team owner was able to negotiate side deals with large companies that want to advertise in the stadium. The deal that was cut was outside the NFL Properties aegis, he argues. The league disagrees. If Dallas wins this argument, then it will have the money needed to draw top players without much concern for the salary cap. Parity would cease.

How Are the Packers Doing Financially?

The Green Bay Packers' annual revenues place them about in the middle of National Football League teams. With salary caps, the Packers organization can compete for a decent array of premium players. With good management, good coaching, and good players, the organization can field a competitive, respectable team.

The Packers' not-for-profit status means it is not necessary to ensure a return on capital to team owners. That provides the Packers organization with a cushion. On the other hand, the fact that the Packers are the only team in the league that pays the lion's share of improvements to the home stadium adds a burden not shared by other teams. Freedom from paying a big piece of total revenues to one or more owners is offset by the money spent on facilities.

Without earlier rescues and without league policies that help ensure a modest level of financial parity, the Packers would be little more than a fading memory. Today, the Packers organization is holding its own. It has been competitive on the field the past few years and the corporation is financially solid. No need for a community bailout is on the near horizon.

Legendary Fan Support: The Green Bay Packers' Market Isn't All That Small

Just Call Me Number 1,636

Shortly after my wife and I moved to Green Bay, I called the Packers' ticket office to be placed on the waiting list for season tickets. That was 22 years ago, in 1973. This month, Mark Wagner's computer shows I am within 1,636 names of realizing my dream.²⁵ I may not live long enough, however, to realize that dream, especially if Brett Favre and his colleagues continue to have winning seasons.

Wagner, the Packers' ticket director, told me that, as of September 1995, the season-ticket waiting list is more than 20,000 names long. Almost everyone on the list wants at least two tickets. Most want more; the average for ticket holders is almost five tickets per account. The list of names grows daily. Wagner reminded me that the person who most recently received tickets had been on the list for 26 years. Lambeau Field holds only 60,790 fans.

It is rumored in Green Bay that tickets are willed to relatives. The rumors are true. Packers organization rules allow tickets to be transferred within families, but not between families. Tickets owned by businesses may also be transferred with the business if it is sold.

This could be a long wait.

Many of us were hopeful that we would get tickets when the Packers decided to stop playing games in Milwaukee. After all, the Packers had two sets of season-ticket holders, those in Green Bay and those in Milwaukee. Who in Milwaukee, we reasoned, would want to drive all the way to Green Bay to see a football game? The answer is lots of people. When given the option of buying season tickets for the games that had been played in Milwaukee, but which would now be played in Green Bay, more than 96% of those holding Milwaukee season tickets took the option.²⁶

This could be a long wait.

Not all the fans who held season tickets in Milwaukee lived in the southern part of the state. Some fans were like Dr. and Mrs. George Nadeau of Green Bay.²⁷ They held season tickets in both cities for many, many years and never missed a game in either. They find, now that the games are all played in Green Bay, that they save quite a bit of travel time. In 1987, 210 season-ticket holders for Milwaukee games lived in northeastern Wisconsin and 1,097 season-ticket holders for Green Bay lived in southeastern Wisconsin.

The Packers now have two series of tickets — the Green Series and the Gold Series. The Green Series provides tickets for seven games in Lambeau Field. The Gold Series consists of what had been Milwaukee season tickets; the series includes tickets for three games. That provides some hope to people like me; at least there are two series of tickets for which one is on the list.

This could still be a long wait.

Fans Across the State, Fans Across the Country

A 1987 analysis of Packers fans showed season-ticket holders living in 47 states.²⁸ About four of every five season-ticket holders lived in Wisconsin. Of the remaining 20%, most lived in Michigan or Illinois. The *Packer Report*, a membership newsletter about the Packers, is mailed to 30,000 people throughout the United States.

Jim Lyman lives near Tampa, Florida. His business card describes him as “Writer, Editor, and Southpaw Golfer.” Lyman is not a season-ticket holder, but he is an avid fan. He has participated in the Packers Fantasy Camp. His teenage daughter participated in the camp this year at Lambeau Field. He hopes to send his son next. Fantasy Camp is an opportunity to play ball with all-time Packers greats like Willie Davis, Fuzzy Thurston, and Bart Starr, without the drudgery of two-a-day drills. The camp provides opportunities to reminisce, eat together, and live the Packers experience intensely.

I asked Lyman how he enjoyed the camp. “It was absolutely great,” he recalled. “Look at this picture of my daughter with Willie Davis and Bart Starr! This is me with Fuzzy!” Jim and his wife, Linda, get to at least one Packers game almost every year. “It’s easier to get tickets in Florida, he reports.”²⁹

The reality is that the Packers’ market goes far beyond Green Bay. Of those who held season tickets for Lambeau Field in 1987, about half lived in the immediate Green Bay area. The Fox Valley cities of Appleton, Neenah, Menasha, and Oshkosh, and their suburbs, were home to another 16% of season-ticket holders. All the rest of Wisconsin, including Milwaukee, accounted for another 15% of Lambeau Field ticket sales. The remaining 17% were sold outside the state.

Season tickets for games played in Milwaukee showed the same purchasing pattern. More season tickets were sold in locations closer to the stadium, but season tickets for games in Milwaukee were sold across the state.

Packers fan support is legendary. No data exist to tell us whether the Packers have a broader distribution of fans across the country than other teams, but it seems like they do. The fact that merchandise with the Packers’ logo sells so well nationally suggests the team’s widespread popularity. Perhaps it is that the Green Bay Packers are perennial underdogs from small-town America that makes it attractive. Perhaps fans in other smaller markets identify with small-town Green Bay, thinking to themselves, “That could be my town.” Or, the Packers may generate some “David-and-Goliath” appeal. Whatever it is, Bill Brault, the director of Green Bay’s Visitor and Convention Center, may be on to something when he says, “The Packers are really and truly America’s football team.”³⁰

ARE GREEN BAY AND THE PACKERS A USEFUL MODEL?

Lance Lopes, the Packers’ general counsel, told me, “I get about a call a week asking about the Green Bay model and whether it might be used in another town.”³¹ Lopes’ answer to those callers is straightforward. He tells them that the question is moot. The Packers are grandfathered into the National Football League. Today, league rules prohibit teams from being owned by a publicly held corporation. A team may be owned by a corporation, but it must be closely held and the NFL wants one person to own at least 51% of the organization. The league apparently wants to be able to talk with the person in charge.

Common sense tells us that the Packers' model poses a problem for some owners. If all the teams were publicly held franchises like the Packers, there would be no market for NFL football franchises. Since franchises sell for well in excess of \$100 million, no one would expect the league to endorse Packers-style ownership. Packers-style ownership means that owners have almost no leverage when seeking community concessions. The implicit threat of moving is always there. Professional football is show business and people are in show business to make money. The Packers organization will be the only one of its kind in National Football League for a long time.

Even though it is an anomaly, the Green Bay experience holds important lessons for other communities and for other teams. The lessons are applicable for sports teams under some circumstances, but they are more applicable to communities. These lessons are outlined below.

A Benefits Synopsis

A strong case can be made that the Green Bay Packers have a significant, positive influence on Green Bay and much of Wisconsin. There are, of course, direct local economic benefits. The Packers' direct contribution to the local economy is not as great as that of many of the city's other corporations, but it is substantial. The indirect economic effect may be greater even than the direct effect, but it is difficult to measure. Telling what might have been had the Packers not been in Green Bay is virtually impossible. Most assuredly, people who live in Green Bay have a sense that the Packers are good for community economic well-being.

Apart from isolated misbehavior by individual Packers players, the effects on the community are positive in almost every regard. The Packers create community identity and, in an age of mass culture and standardization, an important level of differentiation for community residents. The Packers' myths and legends and the players' physical presence help the community by providing a symbolic bond and linkage among its members. The Packers also help pump \$400,000 each year into the hands of civic and charitable organizations through their unique concession policy. The Green Bay Packers contribute very significantly to the quality of life in Wisconsin and especially in northeastern Wisconsin.

Which Features of the Model Are Applicable Elsewhere?

Lessons in Cooperation: Preserving, Enhancing, and Benefiting From a Community Asset

The element of the Green Bay model that seems most appropriate for export to other communities is the high level of cooperation and collaboration among local government, civic organizations, and the Green Bay Packers organization for almost three-quarters of a century in keeping the city's special asset there and viable.

The community responded somewhat reluctantly to save the Packers from extinction in 1925. Since then, the community has given help almost spontaneously and certainly most generously when the team needed it. The willingness to help can be attributed, at least in part, to trust and cooperation that developed between the Packers and various elements of the community. The trust-building took some time and left a few scars, but it resulted in a strong bond. The bond was developed because franchise and community leaders knew one another, worked with one another, and maintained good communication. The community developed a stake in the team because it identified with and owned the team. That lesson should not be lost.

An expectation of cooperation exists. It has continued through the decades despite changes in Packers management and local leadership. The cooperation began at a time when a relatively small knot of people decided what and how things got done in Green Bay. Policy-making is now much more decentralized; the community has more than quintupled in size since Curly and his colleagues first took the field and as more municipal jurisdictions emerged in the metropolitan area.

A second lesson has to do with the involvement of the community with the Packers organization and the Packers with the community. Whether by accident or design, the Packers organization involved citizens and the civic groups to which they belonged from the start. Even today, Green Bay citizens staff the game clock on the field, make public announcements during games, serve as ushers, and serve concessions under the stadium. Members of the community serve on the Packers' Board of Directors. These people are active in northeastern Wisconsin affairs outside football. Contact with them represents half-step-away contact with the team.

A third lesson is that the Packers share the benefits that derive from having a major-league franchise. The \$400,000 to local civic groups that comes from their working the concessions came about because the Packers were in a pinch, but it works. There are individuals in Green Bay who give more to charity each year than the \$50,000 the Packers Foundation gives, but the presence of the Packers means civic groups and charities have almost half a million dollars more each year to use on community concerns than they would otherwise have. The contribution of time and money by players and former players to community charities, along with the footballs Reggie White autographs, make a significant difference in the community. The Packers organization is returning some of the help it received over the years. It does so without much fanfare.

Corporate Design and Ownership

Not-for-profit corporate status is used widely among organizations with charitable and educational purposes. As the Packers' experience suggests, opportunities exist for using the not-for-profit approach for a wide array of unique community assets. However, the not-for-profit aspect of the Packers model is not as critical a lesson to other communities as the design of the publicly-held corporation. The 1935 Executive Committee ensured that the sale of the Packers would result in America's most impressive soldier's memorial. Proceeds of a sale would not go to line someone's pocket. The Packers' Executive Committee in place for the 1950 fundraising effort designed the sale of stock so no one could gain a controlling interest. By doing that, they helped ensure that the Packers would remain in Green Bay. The door was, for all practical purposes, locked and the key thrown away.

The approach employed by these Executive Committees were, most assuredly, critical to the survival of the Green Bay Packers. The organizational form ensured the Packers could not be sold for personal gain. The structure removed any psychological impediments in the community that might have impeded willingness to contribute time or money to help the team when help was needed. That approach provides assurances that the asset will remain in the community after the members of the community help it reach full flower. The approach limits the likelihood that the asset will be sold off to the highest bidder and moved out of town just when it is finally worth having. Communities serious about wanting to develop an institutional asset would be prudent to remember that aspect of the Green Bay model.

Today, not-for-profit stock corporations are rarely used. They are limited to only a few special applications — like country clubs and organizations, like the Packers, that were “grandfathered in” under the new restrictions. It is time to reconsider those restrictions. Special assets are critically important to cities. Public budgets are tighter than ever. There is an entirely appropriate niche for not-for-profit stock corporations to make it possible for civic leaders to maintain and enhance special local assets.

Serendipity and Design

The Packers' concession policy, the not-for-profit status, and the corporate-shareholding policy were all created to address an immediate problem. Joannes, Clifford, Turnbull, and others focused, I suspect, on the immediate problem at hand and came up with solutions that they hoped would stand the test of time. As it turns out, the decisions they made were wise and prudent. They helped to ensure that the Packers did not become a footnote in the history of football.

Potential Application to Professional Sports

Although the Packers' organizational model is not applicable in the National Football League today, it may be applicable to other sports. The publicly owned corporation with limits on shares owned by an individual might be wholly applicable in emerging sports with major-league potential or in cities with minor-league teams, provided that restrictions on not-for-profit stock corporations are relaxed.

Part of the Green Bay story is that the community has been small enough to build close ties among all the interested parties, but most elements of the model are generally applicable. The model seems particularly appropriate for acquiring a "handyman's-special" franchise from a group of investors that has lost interest, lost capital, or lost hope.

Franchises in trouble, in major or minor leagues and in sports that permit Packers-style ownership, might be candidates for going public. The model, league rules permitting, could be used in a city of any size. The problem is, of course, that the original Packers franchise cost \$50. A community that wants to buy even an ailing franchise would have to come up with an extraordinary amount of money to buy a major-league team in any sport, even if a not-for-profit stock corporation model could be used. It would also have to come up with money to capitalize an ailing team so it could compete.

It is important to remember, however, that Green Bay's ownership model does not guarantee success; it simply guarantees a chance at success for the team and for the community in which it is located.

Other aspects of the Green Bay model may be more generally applicable in professional sports than the organizational form. These include the cooperation among local government, civic organizations, and the team to help with facilities and cash support in tough times. Obviously, it is more difficult to induce fans and civic organizations to help a franchise owned by wealthy or unknown investors. No one is eager to work to line someone else's pocket unless there is the guarantee of sufficient psychic, social, or pecuniary reward for their efforts.

The imagination and pragmatism shown by Packers officials and local community leaders in tough times resulted in sensible solutions that paid benefits to the community. Teams concerned with building community relations might do well to consider ways to involve charitable groups in their franchise activities as the Packers use them in concessions. Win-win solutions seem preferable in most cases to win-lose solutions.

Applications to Other Community Assets

Elements of Green Bay's model are applicable far beyond the realm of professional sports teams. The importance for community development of a special regional or community asset was explored earlier in this report. Green Bay's model includes the organizational form, private-public partnerships, community involvement, and benefits sharing. The model seems fully applicable for communities concerned with developing or enhancing many different kinds of institutional or natural amenities and assets in the arts, education, recreation, and industry. Under some conditions, it would be entirely conceivable that the Green Bay model might be used to develop or retain a business enterprise for a community. The model might be particularly appropriate when the business is critical to community well-being, but when it is not sufficiently profitable to attract outside venture capital. Or, it could be used to create or augment an institution of higher education or technical training.

Green Bay's model of a not-for-profit, publicly held corporation might be applicable to support a symphony orchestra or a performing-arts center. The model seems appropriate, too, for a specialty museum, especially one with recreational as well as educational potential. Sturbridge Village in Massachusetts and Mystic Seaport in Connecticut are examples of significant community assets that would lend themselves to such a model.

The model seems particularly appropriate for creating or enhancing community assets that have reasonably good potential for generating most of the operating income needed to support themselves over an extended period.

The model might be used to preserve and enhance a natural amenity as well, to protect it from the kinds of development or exploitation that might ultimately kill the community's golden goose. Special institutional arrangements involving the Packers' unusual form of ownership and shared benefits could ensure the availability of a special amenity as a community asset for an extended period.

The Green Bay model seems to make sense wherever a community has the opportunity to create, enhance, or preserve a special amenity or asset that can contribute to the local magnet. The opportunity must, of course, have realistic potential for at least a break-even financial future. The community asset must have the capacity to support itself under normal circumstances. Community support should be used to provide basic physical capital or initial financial capitalization or to help the organization through an unusually difficult period.

The amenity must also have a reasonable likelihood of contributing significantly to the regional magnet. Unfortunately, people can sometimes become very enthusiastic about would-be community assets that have little more attraction to outsiders than the county's largest ball of string.

Implications for a New Approach to Strategic Community Analysis

One of the most important lessons to come from the special circumstances that emerged in Green Bay has to do with how communities ought to think about strategic planning and policy. It is time for a new kind of urban strategic planning. City planners spend much more time thinking about the spatial arrangement of activities on the land than they do about the strategic elements that either threaten the quality of life in the community or that would add measurably to it. City governments do precious little real strategic planning.

An area's long-term economic and social well-being depends, increasingly, on the quality of life it offers. Consequently, a city must pay special attention to the special assets and amenities it has or can create. Urban areas with clusters of amenities that add up to large magnets have greater staying power than those without. Policy analysts must pay much more attention to how their city, county, or state can increase the probability of developing, enhancing, or retaining a critical mass of institutional and natural assets.

If retaining a sports franchise is seen as critically important, then city strategists should focus on how to increase the probability that it will remain. If specific business enterprises are critical to continued community viability, then strategists need to devise ways to increase the likelihood that those businesses will remain. Communities that live off the capital of their assets without reinvesting in them will suffer unpleasant consequences.

The Green Bay model suggests the importance of open communication and cooperation among members of the enterprise, government, and civic groups in working to maintain and enhance community assets.

In the case of the Green Bay Packers, community leaders — mostly outside government — determined that the Packers were important to northeastern Wisconsin. They developed strategies to keep the team in Green Bay and to help it compete effectively on the field and in the league. Prudent communities will do well to ensure that private civic leaders and public officials both engage themselves in similar kinds of analysis and action.

WHAT ABOUT THE FUTURE?

The Packers' special organizational structure and not-for-profit status, along with favorable league policies, help put the Packers organization on a level playing field in the NFL. The level playing field does not guarantee success on the field or in the league. It does not guarantee fan support. Nor does it guarantee financial survival or a good working relationship with local government and civic organizations. What the arrangement does mean is that the fans and the community are protected against buy-outs and midnight departures for greener pastures. The arrangements provide long-term assurance of the opportunity to develop and enhance the Green Bay Packers, a major asset to Green Bay and all of Wisconsin.

Threats to survival loom ahead. They always do. A primary threat to the Packers' continued survival in Green Bay is the very success of professional football. Professional football is more than sport and more than big business. It is show business. Salaries and franchise values in football, baseball, and basketball have reached levels where one can hardly comprehend the amounts of money changing hands. Some owners, of course, thirst for bigger profits and greater capital gains. Players in all commercial sports thirst for higher salaries and bigger bonuses, not just for the money, but as a measure of their comparative worth. That thirst will always threaten policies intended to help ensure long-term competitiveness and fan support. It is extremely difficult to hold a cartel together when it is in the short-term interest of one or more members to break the group's rules. Today, the Dallas Cowboys' ownership is pressing league rules that make it possible for teams in smaller markets to survive. Both salary caps and shared-revenue policies are threatened. If the revenue-sharing model falls apart and if some teams have major financial advantages over others, the league itself may be threatened. If the revenue-sharing and salary-cap models disintegrate, the Packers will remain in Green Bay, but the team will be an empty shell.

Can the Packers survive the next crisis the team is certain to face? No one knows when it will come or what it will be. One thing is certain. The community has stepped up five times to help the team survive, but the price tag has never been as high before as it would be now. The next rescue will not cost \$1 million. It could easily cost \$50 million or more. In that case, willingness to help may just not be enough.

NOTES

- 1 *Economic Impact of the Green Bay Packers on the Economy of Green Bay and Brown County, Wisconsin*. JMA/Applied Research Group Inc., Green Bay, Wisconsin. May 1987.
- 2 The multiplier used in the JMA study, *op. cit.*, was 3.124.
- 3 JMA/ Applied Research Group Inc., *op. cit.*
- 4 Interview with Lance Lopes, September 1995.
- 5 Quoted in Tom Murphy, "Brault Got it Done: Now He's in His Hall," *Green Bay Packers 1995 Yearbook*, Page 81.
- 6 JMA/Applied Research Group Inc., *The Green Bay Packer Fan: Profile and Perspectives*. Foth and Van Dyke: Green Bay, Wisconsin. June 1987. Pages 16-17.
- 7 Representative Schneider was quoted in the *Green Bay Press-Gazette*, September 29, 1995.
- 8 John Torinus, *The Packer Legend: An Inside Look*, Page 175.
- 9 Larry D. Names, *The History of the Green Bay Packers: The Lambeau Years, Part One*, Wautoma, Wisconsin: Angel Press, 1987. Page 25.
- 10 *Ibid.*, Pages 52 ff.
- 11 *Ibid.*, Pages 65 ff.
- 12 Interviews with Clyde Truttmann, John M. Rose, and Daniel Beisel, September 1995
- 13 Tom Murphy, *op. cit.*
- 14 Interview with Phil Pioneck, September 1995.
- 15 Names, *op. cit.*, Pages 91 ff.
- 16 Larry Names, *The History of the Green Bay Packers: The Lambeau Years, Part Two*, and John Torinus, *The Packer Legend: An Inside Look*, both document the development and unfortunate design flaws of City Stadium.
- 17 Larry Names, in *The History of the Green Bay Packers: The Lambeau Years, Part Two*, details the events that led up to insolvency and the steps taken to save the Packers. The description here is taken from his work.
- 18 Both Torinus and Names (Volume Three) discuss at length the Packers' financial problems. The Packers had losing seasons that resulted in fewer ticket sales, but Curly Lambeau appears to have been spending substantial sums of money imprudently.
- 19 Both Torinus and Names indicate their belief that Lambeau and McCormick were key members of the group that wanted to turn the Packers into a profit-seeking firm.
- 20 Torinus, *op. cit.*, Page 63.
- 21 This section relies heavily on Torinus, *op. cit.*, and on recollections by a group of distinguished Green Bay residents who participated in this historic event and who meet regularly for lunch at the Greater Green Bay Area YMCA Downtown Center.
- 22 Quoted in Torinus, *op. cit.*, Page 18.

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- 23 Interview with Mike Reinfeldt, Green Bay Packers, Inc., Chief Financial Officer, September 1995.
- 24 Interviews with Bob Harlan, Lance Lopes, and Mike Reinfeldt in September 1995.
- 25 Interview with Mark Wagner, September 1995.
- 26 *Ibid.*
- 27 Interview with Dr. George Nadeau, September 1995.
- 28 Information for this section on the distribution of Packers season tickets is drawn from the JMA/Applied Research Group Analysis, *The Green Bay Packer Fan: Profile and Perspectives*.
- 29 Interview with Jim Lyman, August 1995.
- 30 Murphy, *op. cit.*, Page 81.
- 31 Interview with Lance Lopes, September 1995.

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Our major priority is to improve the accountability of Wisconsin's government. State and local governments must be responsive to the citizenry in terms of the programs they devise and the tax money they spend to implement them. Accountability should apply in every area to which the state devotes the public's funds.

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