

TEACHING NOTES

Selling to Visiting Fans at the Expense of Home Field Advantage

Teaching Notes

Target Audience of the Case Study

The target audience for this case study is undergraduate or graduate students in sport management or business programs. Specifically, courses such as ticket operations, law, or facility/event management may be appropriate.

Origins of Case Study

This case study is based on several real world examples of fans being reseated at sports events, not being allowed to sit in certain sections of a facility, or having their purchases blocked by ticketing software based on zip code. Each is summarized below.

On Saturday December 12, 2009, Brian King, a fan from Presbyterian College was attending a men's basketball game between Presbyterian College and the University of North Carolina (UNC) at the Dean Smith Center in Chapel Hill, North Carolina. King was asked to leave the Smith Center for being uncooperative with police after he yelled for UNC player Deon Thompson to miss a free throw (Friedman, 2011; Garcia, 2009). UNC head coach Roy Williams heard the comment and requested the situation be investigated since Williams thought the comment came from a seat issued by the UNC basketball office. After looking into the situation, official UNC spokesman Steve Kirschner indicated the ticket was a legitimate fan seat and was not issued by the basketball program (Garcia, 2009). In comparison, Duke University, a university whose men's basketball program participates in the ACC, has a reseating policy similar to the one implemented at the University of Virginia (Friedman, 2011). However, another ACC rival, North Carolina State, does not utilize a reseating policy based on attire in staff sections (Friedman, 2011).

Ironically, on January 8, 2011 Greg Demery, a fan of the UNC men's basketball team, traveled to John Paul Jones Arena in Charlottesville, Virginia to attend the men's basketball game between the Tar Heels and the University of Virginia (UVA) (Gardner, 2011). He had previously purchased a single ticket for \$100 from the secondary ticket market and was excited to watch his favorite team play in the best seats he ever had for a basketball game (Eisenberg, 2011). Demery was dressed in Carolina blue for the game and went to his seat two rows behind the UVA team bench. Before he was able to get fully seated, he was approached by a member of the event staff and questioned about the validity of his ticket. Subsequently, after his ticket was verified as legitimate, a senior representative of the UVA athletic department relocated him nearly twenty rows higher in the lower bowl since he was wearing the wrong colors to be seated in that section of the arena (Eisenberg, 2011; Friedman, 2011; Gardner, 2011). Mr. Demery tried talking to staff several times during the game to move back into his original seat without success.

In addition, several professional sports organizations have taken steps to try and limit the attendance of visiting fans at their respective sports facilities ("Broncos Coach," 2012; Housenick, 2012; Steinberg, 2012; Wyshynski, 2012). Pittsburgh Steelers fans attempting to purchase tickets online to the 2012 American Football Conference (AFC) Divisional Playoff game in Denver were denied sales due to their zip code. After completing the majority of the online sales process through the Denver Broncos, once a zip code from the Pittsburgh area was entered into the system fans received a message indicating their sale could not be processed. The same approach is currently being used by the Washington Nationals due to the high volume of Philadelphia Phillies fans who travel to Nationals Park. During one Nationals home game, it is estimated that 35,000 of the 45,000 fans in attendance were cheering for the Phillies (Housenick, 2012). The Nationals have launched their 'Take Back the Park' campaign in order to generate more interest from fans

in the area (Steinberg, 2012). In order to purchase single game tickets online to a weekend series between the Phillies and Nationals at Nationals Park, fans must use a credit card with a mailing address from Washington, D.C, Maryland, or Virginia (Housenick, 2012).

The Florida Panthers are taking a different approach by marketing sections of the BankAtlantic Center called the Florida Panthers Red Zone. Sections 105-114 of the arena have been designated for Panthers season tickets holders and off limits to visiting fans. Visiting fans will not be allowed to sit in this section of the arena during Panthers games (Wyshynski, 2012). According to Sunrise Sports and Entertainment president and chief operating officer Michael R. Yormark, “The Red Zone is a place for passionate and committed Florida Panthers fans — that may not already be season ticket holders — to be among their dedicated peers and set the tone for every Cats home game at the BankAtlantic Center” (Wyshynski, 2012).

Legal Issues

The ability to regulate fan behavior might run against free speech guarantees. “Cheer Speech” (i.e. how fans cheer, either for or against a team / player) and the wearing of clothing has been protected as speech (Wasserman, 2007). This does not limit the relocation or dismissal of a person for profanity or racial / sexual comments. That type of speech does not seem to be protected due to security concerns. Plus those fans would likely have violated the terms of their ticket admission by being so disruptive. However, it will prove to be difficult to regulate the fan’s cheering interest or clothing colors without providing notice to ticket buyers in advance.

Because Montgomery University is a private institution it may possess more authority to regulate the free speech than a public institution such as Bucks State College. However, there is a precedent set that a private institution (New York Yankees) can be held to a state actor for discrimination purposes because Yankee Stadium was built and renovated with public funds.

The team should be aware if a person’s seat location is moved, it is important that the seat relocation not be seen as a punishment to the fan. The Seattle Mariners play at Safeco Field. Safeco Field issues Red Cards for fan misbehavior including (1) foul or abusive language; (2) Obscene or indecent clothing; and (3) fighting, taunting or making threatening remarks or gestures (Wasserman, 2007). Similar to the case, a private organization (Seattle Mariners) play in a publically owned / financed park may be considered a state actor for regulating fan expression. This state actor designation would create a very high bar against regulation of free speech. Except for “threatening speech” most of the behavior that is banned by the Red Cards are constitutionally protected (foul language, indecent clothing, heckling a ballplayer), which is far more offensive than wearing the visiting team’s colors.

The courts have consistently upheld a fan does not possess a property right to the seat but rather has a revocable license granted by the sport organization. This means the fan does not have a legitimate claim of ownership to the seat location and the location may be changed or revoked depending upon the agreement between the fan and the sport organization. Further, because this agreement is between the ticket *purchaser* and the sport organization, the ticket *holder* would be afforded even less rights to the seat location.

Legal Talking Points

- In the reseating example, Mr. Demery did not violate the law by purchasing his seat from a ticket scalper. A ticket scalper is defined as a person or entity that resells tickets above the value printed on the face of the ticket (Reese, 2004). Ticket scalping is not a violation of the law in Charlottesville, Virginia (Friedman, 2011). However, it is important to understand that according to most ticket office policies, sport organizations have no duty to honor a ticket not purchased through an authorized agent. Since ticket scalpers are not considered authorized ticket agents, purchasing tickets in this manner is considered an inherent risk of using the secondary market (Reese, 2004).
- A blanket organizational or institutional policy that includes a dress code in certain sections of a facility may allow an institution to avoid claims of discriminatory treatment, but still may open up to a free speech claim.
- The practice of limiting sales to buyers with specific zip codes has yet to be challenged legally.

Ticketing and Facility/Event Management Issues

As supported in Appendices A and B, tickets are marketed as revocable seat licenses (New England Patriots, 2012; St. Louis Cardinals, 2009). In simple terms, like renting, revocable seat licenses provide temporary use of seat locations for one or more events without a property right (Dodds, Schoepfer & Han, 2012; Reese, 2004; Reese, Nagel & Southall, 2004). As the name indicates, revocable seat licenses may be revoked without cause based on the discretion of the sport organization.

However, regardless of how tickets are defined, there is an obvious customer service component to revoking a ticket, reseating a fan, or denying the sale of tickets to visiting fans. If these actions are taken, they should be done according to justifiable organizational policies and procedures as to avoid negative publicity.

Ticketing and Facility/Event Management Talking Points

- As long as ticket policies clearly identify either season or single game tickets as revocable seat licenses, with rare exception, courts rule in favor of sport organizations (Dodds, Schoepfer & Han, 2012; Reese, Nagel & Southall, 2004).
- From a ticket operations perspective, the position of the University of Virginia's athletic department was that the seats in question were not purchased through an authorized agent. The tickets belonged to the university since they were issued to an athletic department staff member. In this case, the staff member gave the tickets to a friend who sold one to a scalper.

Conclusion

As Katie moves forward with her recommendation to the athletic department, should she implement any of the policies and promotions she found during her research? Is there any reason to conduct any additional research? If so, in what specific areas is additional research needed? Finally, what should Katie recommend to the Montgomery University athletic department in regard to handing visiting fans?

Discussion Questions

How are tickets distributed for seats behind the home team bench?

Does the department have any policies in regard to the resale of tickets or reseating fans?

What is the process for distributing tickets to visiting fans?

What are the financial consequences of losing the support of long-time athletic department donors?

What are the financial implications of limiting the sale of tickets to visiting fans?

How do other athletic departments and sport organizations handle situations such as this?

What is more important, revenue from the sale of tickets to visiting fans, or more empty seats but a home court environment?

Montgomery University is a private institution. Does that allow the school more or less authority to change ticket locations based on fan affiliation?