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15	NORTHERN DISTRICT OF CALIFORNIA	
16	OAKLAND DIVISION	
17		
18	EDWARD C. O'BANNON, JR. on behalf of himself and all others similarly situated, Plaintiffs,	Case No. 4:09-cv-3329 CW
19		DECLARATION OF DANIEL A. RASCHER IN OPPOSITION TO NCAA'S OBJECTIONS TO PLAINTIFFS' SUMMARY EXHIBITS
20		
21	v.	
22	NATIONAL COLLEGIATE ATHLETIC ASSOCIATION (NCAA); ELECTRONIC	Courtroom: 2, 4th Floor
23	ARTS, INC.; and COLLEGIATE LICENSING COMPANY,	Trial: June 9, 2014
24	Defendants.	
25	Defendants.	
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28		DECLARATION OF DANIEL A. RASCHER I
		OPPOSITION TO NCAA'S OBJECTIONS TO

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Qualifications

1. My name is Daniel A. Rascher. I previously submitted a damages report, a damages reply report, and a declaration in this matter: *Expert Report of Daniel A. Rascher Expert Reply Report of Daniel A. Rascher*, and *Declaration of Daniel A. Rascher in Support of Motion by Antitrust Plaintiffs for Class Certification* (hereinafter *Rascher Damages Report*, *Rascher Reply Report*, and *Rascher Declaration*, respectively).

Scope of Work

2. On June 13, 2014, while I was on the stand, the NCAA objected to my presentation of certain summary exhibits made based on the materials that I also used in my work as an expert in this case. The summary exhibits in question are compilations of data filed by colleges and universities with the Department of Education under the Equity in Athletics Disclosure Act (hereinafter EADA), which is a commonly-used data source among sports economists who study college sports. In my various reports, I have cited these data extensively, in the materials I presented to the NCAA for class certification declaration in April 2013, in my merits report in September 2013, in my reply report in November 2013, and in an update of named plaintiffs' damages that I compiled in March of this year. I specifically used these data in my report.

Information on the EADA data and my reliance thereon

- 3. The EADA data on which these summary exhibits rely are published by the United States Department of Education, based on official disclosures of sport-by-sport spending by all colleges and universities in the United States, whether they are in the NCAA or not.
- 4. The data set published each year is massive. Each year's publication has over 2,000 schools, hundreds of which are not in the NCAA. Of those schools that are in the NCAA, only 351 (as of 2014) are in Division I.
- Similarly, the data set has many more columns than I use in compiling these
 summaries. Many of the columns involve information unrelated to football or basketball. In all

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of these summary slides, I have excluded data on other sports. Just as the data has over 2,000 rows per school, it has over 4,000 columns of information. Thus, in total, there are more than 8 million observations in the data, what I present is a partial summary.

6. The NCAA's expert, Daniel Rubinfeld, has also relied on these data, indicating in many instances that he received the data from me, through my production of backup materials. As an example, in his Declaration of December 12, 2013, Dr. Rubinfeld provided a "Table 2" for which his source was listed as "EADA Data provided in Professor Rascher's Class Declaration." In Exhibit A to that same report, Dr. Rubinfeld lists his source as "2006-07 through 2011-12 EADA Data provided in the Rascher Class Certification Declaration backup materials" as well as other EADA data Dr. Rubinfeld acquired on his own.

In his most recently filed report, from June 3, 2014 (i.e., last week), Dr. Rubinfeld

- also relied on EADA data that he stated he had received from me. He wrote: "I matched the RPI team rankings to total team revenues and expenses reported in the Equity in Athletics Disclosure Act ("EADA") school financials data for the years 2006-07 through 2011-12." And then he explained in a footnote that "The EADA data was provided in the Rascher Class Declaration backup materials. They are collected from each school that participates in the federal student financial assistance program. See: "Equity in Athletics Disclosure Act," U.S. Department of Education, available at http://www2.ed.gov/finaid/prof/resources/athletics/eada.html, accessed May 16, 2014." ²
 - 8. Below, I will go through each exhibit and explain what data it summarizes.

The Summary Exhibits.

9. The first summary exhibit in this set is entitled "Federally-Filed Revenue and Expense Numbers for Major Conference Schools, 2012-2013." Rascher_Demo_2B, Attachment A to June 12, 2014 Letter to Court from Plaintiffs' Counsel (Dkt. No. 210); PX 2537. It is the exact parallel of the football data provided in my original Rascher Declaration,

¹ Declaration of Daniel L. Rubinfeld (hereinafter *Rubinfeld Supplemental*), June 3, 2014, para 6, p. 4.

² Rubinfeld Supplemental, June 3, 2014, n.13 (p. 4).

with two differences. The first is that it covers basketball rather than football data, and the second is that these numbers reflect the 2012-13 year, which was not yet available when I filed my original declaration. This exhibit shows the reported men's basketball revenues and expenses of the schools in the then-six major conferences, taken directly from the EADA data, and then provides a column listing the difference between revenue and expense, which I have labelled as "Net Surplus." At the bottom of this exhibit, I provide a tally of the schools showing positive net surplus (61), zero net surplus (5), and negative net surplus (3).

- 10. The second exhibit, entitled, "Division I Basketball and FBS Football Revenues, 2000-01 to 2012-13" is a graphical depiction of the exact reported-revenue figures for all Division I men's basketball and FBS Football programs from the EADA data from 2000-01 through 2012-13. Rascher_Demo_3A; PX 2538. I identified those schools in Division I and/or FBS, I summed their revenue figures for these two sports, and I plotted them as a column chart, showing total revenue for each year.
 - 11. The next three exhibits provide subset descriptions of the previous exhibit.
 - a) In the first of these three (the third overall), entitled "Football and Basketball Revenues, FBS Major Conferences" provides the subtotals from the previous exhibit for just schools that play in the then-six so-called "Big Six" conferences (the conferences which automatically qualified to have at least on team in the BCS post-season bowls). Rascher_Demo_3B; PX 2539. These conferences were the ACC, Big Ten, Big Twelve, Big East (prior to its splintering), Pac-12 and SEC.
 - b) The second (the fourth overall), entitled "Football and Basketball Revenue, FBS Other Conferences," focuses on the rest of the FBS schools, i.e., those in conference that did not receive automatic bids for the BCS post-season. Rascher_Demo_3C; PX 2540. These include Conference USA, the Mountain West, Mid-American Conference (MAC), Sun Belt Conference, and (prior to its exit from FBS football), the Western Athletic Conference (WAC).

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c) The third (the fifth overall), entitled "Basketball Revenue, Non-FBS Conferences" capture the remainder of the schools. Rascher_Demo_3D; PX 2541. These include schools that do not have a football team at all, or who participate in the FCS football subdivision rather than FBS. This only looks at men's basketball revenue (even for schools that play FCS football) because these schools are not involved in this litigation with respect to their football programs.

The final two summary exhibits are merely the data from which these graphical 12. depictions were compiled. The first (the sixth overall) is entitled "Division I Men's Basketball Revenue, 2000-01 to 2012-13" and shows the precise EADA Data on revenue for each Division I school's men's basketball program. Rascher_Demo_3E; PX 2542. The second (the seventh and last overall), entitled "Division I Men's Football Revenue, 2000-01 to 2012-13" lists the same revenue data for the FBS football programs within Division I. Rascher_Demo_3F; PX 2543.

In addition, I prepared a summary exhibit using confidential information from 13. three of Plaintiffs' trial exhibits regarding revenues from March Madness contracts between the NCAA and CBS/Turner from 1995-2024.

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³ The chart would be more accurately labelled as Division I <u>FBS</u> Men's Football Revenue, 2000-01 to 2012-13

I declare under penalty of perjury that the foregoing is true to the best of my knowledge and belief.

Daniel A. Rascher

Executed at Oakland, California, on June 14, 2014.