

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK  
06 Civ. 0589 (CGE)

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ANUCHA BROWNE-SANDERS,

Plaintiff,

-against-

MADISON SQUARE GARDEN, L.P., ISIAH  
LORD THOMAS, III and JAMES DOLAN,

Defendants.

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1501 Broadway  
New York, New York

November 30, 2006  
10:10 a.m.

DEPOSITION of MADISON SQUARE

GARDEN by HANK RATNER, one of the  
Defendants in the above-entitled  
action, held at the above time and  
place, taken before Barbara P.  
Goldsmith, a Shorthand Reporter and  
Notary Public of the State of New York,  
pursuant to the Federal Rules of Civil  
Procedure, and stipulations between  
Counsel.

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H. RATNER

Ms. Browne-Sanders' role at forecast meetings, what was your understanding of how long Ms. Browne-Sanders had been the P&L manager?

MR. GREEN: As of when?

Q. As of when? As of what date she became --

MR. GREEN: I don't mean to confuse you. I object to the form.

MS. VLADECK: That's already done.

MR. GREEN: I don't know whether the question was asking the witness to answer as of a certain date.

MS. VLADECK: Okay. I can rephrase it.

Q. Was it your understanding that Ms. Browne-Sanders was P&L manager from the date she was hired, or did she become the P&L manager at some time during her tenure?

A. She was not the date she was hired. She became sometime during her

1 H. RATNER

2 tenure.

3 Q. And do you know when during  
4 her tenure she became P&L manager?

5 A. No.

6 Q. Did she attend the strategy,  
7 budget or forecast meetings prior to  
8 becoming a P&L manager?

9 A. I don't know. Her  
10 involvement at the Garden preceded my  
11 involvement with the Garden.

12 Q. Was she present at the  
13 meetings, strategy, forecast and  
14 budget, from the day you became  
15 involved at the Garden?

16 A. Well, it wasn't necessarily  
17 from the day I became involved. I  
18 think my first real involvement in the  
19 Garden budget process was probably for  
20 calendar year 2005, the 2005 budget  
21 which was --

22 Q. Was that in 2004?

23 A. It would have been the end of  
24 '04. And that, I think, is my first  
25 involvement in a budget cycle at the

1 H. RATNER

2 Garden and really my, you know, first  
3 involvement with a lot of the stuff at  
4 the Garden as opposed to where I had  
5 been previously.

6 Q. And from that time, was  
7 Ms. Browne-Sanders, to your knowledge,  
8 P&L manager?

9 A. I think it might have been  
10 right around there, but again, I  
11 don't know. I'm not a hundred percent  
12 sure.

13 Q. And what was  
14 Ms. Browne-Sanders' role at forecast  
15 meetings?

16 A. Her role was to present the  
17 forecast.

18 Q. Now, at each of these  
19 meetings where Ms. Browne-Sanders was  
20 present, was Mr. Mills present?

21 A. Again, no specific  
22 recollection, but I think he would have  
23 been.

24 Q. And was Mr. Cudmore present?

25 A. Again, no specific

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Q. Somewhere between 10 and 20,  
or 15?

A. Ten and 15 maybe. Again, I'm  
being clear with you. I am sort of  
guessing on that number.

Q. Did you form an impression as  
to her performance?

A. I did.

Q. And what was your impression?

A. Underwhelming.

Q. What do you mean by that?

A. I didn't think she had the  
goods or temperament to do the job that  
we needed done.

Q. And when did you form that  
impression?

A. You know, I can't  
particularly pinpoint exactly when it  
occurred, when I first started having  
concerns, but it was clear to me that  
she didn't have a grasp of what it was  
going to take to get her job done, that  
she didn't have a grasp for the  
financial aspects of her position, and

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2 that when you try to have  
3 conversations, she was always very  
4 defensive and not very open minded to  
5 viewing things differently than she  
6 would instinctively view them.

7 Q. Anything else?

8 A. I'm -- yes, I'm sure.

9 Q. Well, what specific incidents  
10 made you believe that she didn't have  
11 the goods or temperament to get the job  
12 done?

13 A. You know, as we went through,  
14 I mean, I had a limited number of  
15 interactions with her. But I start  
16 off, you know, sort of my view by  
17 saying this is the P&L manager for the  
18 Knicks. It's a big job and a big  
19 opportunity and a wonderful asset that  
20 needs to be run well and also needs to  
21 grow. So the person who's in the  
22 position now of being the P&L manager,  
23 really should be a person who's going  
24 to be open minded, creative, figuring  
25 out ways to not only operate the

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business aspect of the franchise, but also to grow the franchise.

You know, my interactions really started, I would guess, sometime throughout 2004 as I began -- started getting involved with the Garden. No specific recollection of what was occurring there other than in the interactions which may have been in some forecast meetings, just going through and not getting the confidence that I needed that the person, Anucha, was really understanding the job and all that could be done in that job.

Then we get to my real first budget process, which is now for the 2005 fiscal year, and it was very important to us that everything was done on a zero based budget and everything was relooked at and we just didn't roll forward our previous budgets and our previous business assumptions.

So, you know, I have no

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2 specific recollection of the strategy  
3 meetings other than I don't think they  
4 went well in that when we tried to be  
5 open minded and discuss thinking more  
6 broadly about the opportunity of the  
7 Knicks and the running of the Knicks,  
8 you know, my recollection is it's sort  
9 of was met with resistance. It was met  
10 with a lot of this is the way we do it.  
11 And where I was coming from, it's  
12 really about start over again and let's  
13 figure out if we were starting, you  
14 know, this franchise today, what do you  
15 do today, what are the strategies  
16 today, what are the business  
17 opportunities today, and don't lock  
18 yourself into the past.

19 And again, without specific  
20 recollection, there wasn't a lot of  
21 open minded behavior taking place. It  
22 was very, very defensive and sort of it  
23 makes very difficult to run a business  
24 and move forward if everybody is not  
25 open minded to change, because that's



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the one constant we're always going to have in the world, change.

You know, we then moved on and we got to the budgets and, you know, Anucha's command for the business of the Knicks just wasn't acceptable to me, you know, as the person sitting in the center. You know, she needed to be responsible for the business aspects of what was taking place. So for instance, you know, how many ushers were going to be at the event. How many security guards were going to be at the event. How many food service workers are going to be at the event.

Now, in our structure, those groups reporting to a facilities group. Because facilities is our in-house expert on ushers and security and food service. But the premise of our organization is that that facilities group works for the P&L manager. In almost like a, if you went to a third party vendor, you hired the third party

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vendor and the third party vendor works for you and performs certain services for you. But that doesn't mean you don't have responsibility for it. You do, because you have to work out with them what's the prudent level of ushers, security, food and beverage workers, etcetera. And those were the type conversations that were very frustrating because those were the kind of conversations which were well, that's sort of facilities, that's not me. And that was just dead wrong, as we tried to explain, you know, over and over again.

The same thing with sponsorship sales and ad sales. We have a centralized group that sells sponsorship sales and ad sales, and that group works for, you know, the individual entity. It's like an ad sales rep. So they work for the individual entity, whether it's the Knicks, whether it's the Rangers. It's

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the same thing, you know, for other parts of the company as well. But they have to please the business person who's running the business unit as opposed to the business person abdicating those responsibilities and basically well, that's ad sales or that's facilities.

And we had a very difficult time with Anucha in taking responsibility for those numbers. And, again, those numbers aren't numbers that just are presented to you. The job of the P&L manager is to go and dive into those numbers and to understand why we're doing what we're doing and get behind the numbers and be satisfied that those are the right numbers, whether they be expense or revenue.

And you know, I really felt that there was that disconnect that, you know, she wasn't getting it, she wasn't necessarily capable of getting

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it. She didn't have, I think, the real financial skills needed, and she was very territorial. She didn't cooperate well with others, so these interdependencies made it difficult.

So the concerns I started having from limited contact in '04 became magnified by the budget process for the '05 fiscal year.

Q. And when was the budget meeting at which you say that it became magnified or the budget process, what time period was that?

A. You know, I'm not sure. I mean, I was guessing which I guess I shouldn't be doing, it would be the November, December. You know, sometimes budgets fall over and they don't get done and you use something for purposes of, you know, doing your consolidated look for the year, but you may continue the process beyond. I don't really remember in this instance what happened or what the timing was.

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Mr. Pollichino for 20 years, given he was at Rainbow back in the beginning when I was at Rainbow. So I consider him a value and trusted advisor in addition to his role as head of finance. And given my views, I wanted to solicit what his views were.

Q. Anyone else other than Mr. Mills and Mr. Pollichino?

A. Not that I can recall.

Q. How many occasions did you have to --

A. Not at this point in time, where we are.

Q. Well, did you talk about Ms. Browne-Sanders at a later point in time?

A. Subsequently, yeah.

Q. When was that?

A. That would have been at -- around some of the forecast meetings that went on later in 2005.

Q. And when was later?

A. You know, I'm not sure.

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we should end her employment was more around the forecast meetings that happened later that year, that ended up in getting her some training.

Q. And those are the forecast meetings that you don't recall when they occurred?

A. Right.

Q. And what did he say to you, what did Mr. Mills say to you?

A. Well, at this point, it was more a three-way conversation with Steve and with Jim. And Jim thought we should offer her the opportunity of some training to work on some of the issues, where my feeling was that, you know, this wasn't a matter of training, but we got her training.

Q. What percentage of her job was the profit and loss manager part, if you know?

A. You know, I don't know how you sort of segregate it out. It's sort of profit and loss and then

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everything kind of, you know, sits below that. It's managing that business, op side of the business.

Q. Now, did Mr. Mills agree or disagree when you said to him words to the effect that she should be fired?

A. You know, I don't recall if he did or if he didn't. You know, Jim really wanted to try the training route, so it sort of ended the dialogue.

Q. Did you, either on your own or ask Mr. Mills, to talk to either Mr. McCormack or anyone else in human resources about the procedures to follow if someone at her level was to be fired?

A. Not that I can recollect, no.

Q. And is there anything in writing from you or between you and Mr. Mills or you and Mr. Dolan that reflects any of these conversations or your view that Ms. Browne-Sanders was not cutting it?

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an arrogant style to her. She had a very defensive style to her as well. She was not open minded.

Q. Do you know whether -- strike that.

And is it your belief that that arrogant style was present on all occasions that you dealt with her?

A. I don't recall.

Q. And you said she had a lack of concern about the return on the investment. On what do you base that?

A. You know, we were -- well, she was proposing or actually she had already entered into a deal which was a money loser. And again, in having the conversation with the deal getting revealed as entering into a deal which was without a budget without getting approval, you know, the conversation was met with resistance as to -- the P&L manager should be doing return on investment. It doesn't require me to ask for it. The P&L manager shouldn't



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2 necessarily be going forward and  
3 entering into transactions that aren't  
4 going to help grow the company. And my  
5 question seemed to be questions that  
6 she was thinking about for the first  
7 time when they were being asked.

8 Q. Now, who else was at this  
9 meeting?

10 A. You know, again, no specific  
11 recollection, but a meeting of this  
12 type, forecast meeting, it would have  
13 been Jim and Steve and John Cudmore,  
14 Bob Pollichino, and I'm not sure who  
15 else would have been there.

16 Q. What, if anything, did Jim  
17 Dolan say at the meeting with respect  
18 to Last Man Standing?

19 A. You know, I don't remember  
20 specifically. He was not pleased with  
21 the situation, but I don't remember how  
22 that manifested itself with his  
23 comments.

24 Q. Well, did he say anything?

25 A. Well, after the meeting was

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when we decided that or he decided that she should go for training.

Q. And did he suggest that she go for training with respect to financial issues?

A. You know, I can't remember what specifically was suggested, but it was training for whatever areas that they needed to help her fix.

Q. And what areas did you believe you needed to help her fix?

A. You're asking me what I believe or what Jim believed?

Q. Either what you believed or what Jim told you he believed.

A. Well, my belief was she should have been terminated, that she wasn't going to be fixed. If there was going to be training, it would need to be in financial and it would need to be in management style and -- let me think about the right way to say it -- peer cooperation or, you know, getting along with others.

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But to me, what was important, not so much just the particular deal or what happened with the deal, but it was, you know, what the conversation about it revealed, you know, once again, at this meeting.

Q. What, if anything, did Mr. Mills say at the meeting?

A. I don't remember.

Q. Do you remember what anybody said other than you and Ms. Browne-Sanders?

A. You know, not specifically, no.

Q. And do you remember any of what she actually said or do you just remember that she was arrogant and didn't have concern for return on the investment?

MR. GREEN: Objection to form, but you can answer that.

A. I don't remember the particular words. It was more of, you know, the general expression of, you

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conversations with concerning the  
Garden providing or potentially  
providing security for  
Ms. Browne-Sanders?

A. Steve Mills.

Q. And to the extent you can,  
tell us the whole conversation you had  
with Mr. Mills about that.

A. There really wasn't much more  
to it than that. It was if she had  
security concerns, we should look to  
address those concerns. And then, you  
know, it was left in Steve's hands.

Q. And you said, I think,  
earlier that this is the same  
conversation you had with Mr. Mills  
where he came to you to say that she  
wanted to leave?

A. Yes.

Q. So Steve told you that  
Ms. Browne-Sanders said she could no  
longer do her job, she wanted to leave,  
and you embraced that and said good and  
then said let's figure out an

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appropriate severance package; is that correct?

A. Along those lines, yes.

Q. And then he said, oh, and by the way, there are threats against her or she's concerned about her safety or something else?

MR. GREEN: Objection to form.

A. I don't think he said oh, by the way, but it was, you know, it was part of the conversation that we had.

Q. Did you ask him from where the threats were coming?

A. I didn't know of any threats. I just know that she stated that she had some concerns and my understanding, whether expressed or implied, was that it related to those two investigations that had occurred.

Q. And was there anything else in that conversation you had with Mr. Mills that you recall that you said or he said?

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2 A. I can't recall if we  
3 discussed it. It was just the trying  
4 to work with her to see what would best  
5 work for her exiting to transition to  
6 something else and whether that meant,  
7 you know, staying with the company for  
8 a period of time or whether it meant  
9 figuring out a severance amount at that  
10 point in time. But that was part of  
11 the discussion and that was for Steve  
12 to go and work out and figure out.

13 Q. And did you tell Mr. Mills to  
14 contact a particular security company,  
15 did you ask him to call security at the  
16 Garden, or something else?

17 A. No, neither. I didn't make  
18 suggestions along those lines.

19 Q. Did Mr. Mills give you the  
20 impression that he believed the threats  
21 were serious?

22 MR. GREEN: Objection to  
23 form.

24 A. Yeah, I don't recall, but,  
25 you know, vaguely, no, I don't think