

Minnesota Vikings



**Presentation to Minnesota's
Stadium Screening Committee
January 6, 2004**





America's Favorite Spectator Sport



27.8%



16.5%



14.6%



7.2%

Source: ESPN Sports Poll, a service of TNS Intersearch
Jan. 2002 – Dec. 2002



Local Pro Sports Teams Market Ratings for 2002

	<u>RATING</u>
1. MINNESOTA VIKINGS	31.1
2. Minnesota Twins	
KSTC	6.0
FSNO	5.4
3. Minnesota Timberwolves	
WFTC	3.8
FSNO	2.1
4. Minnesota Wild	
FSNO	0.7
KMSP	1.8





Strengths of the NFL



- ✓ NFL teams share more than 80% of all League revenues
- ✓ Hard salary cap allows smaller markets to compete
- ✓ NFL is the only professional sports league to participate in stadium/arena construction
- ✓ NFL has 20-year span of labor peace and stability
- ✓ NFL is committed to markets of all sizes

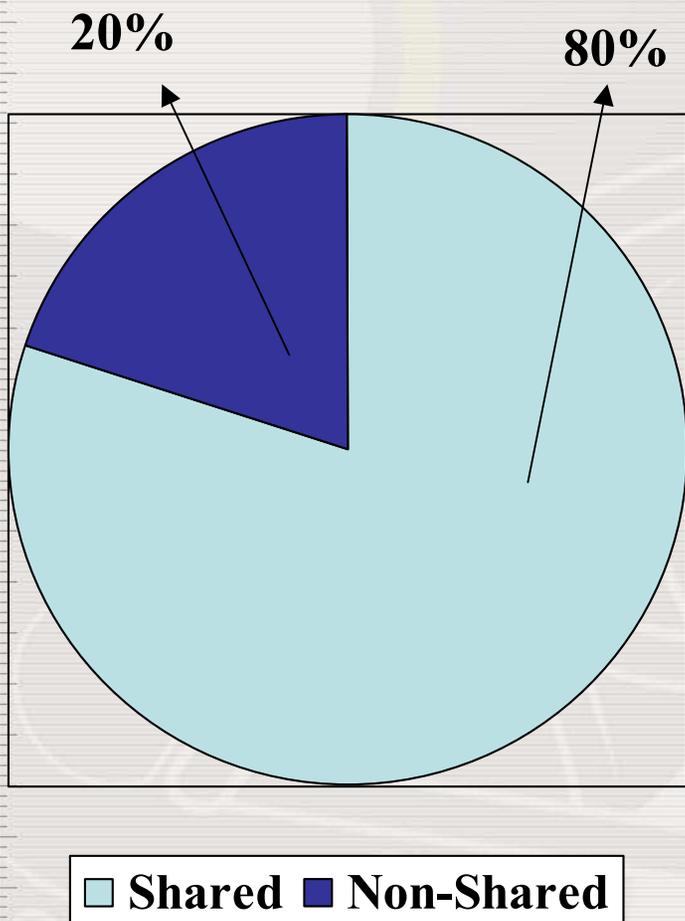


NFL Rankings

	<u>Actual - 2002</u>	<u>Projected - 2006</u>
Net Gate Receipts	24th	26th
Concessions	29th	29th
Suites	27th	31st
Parking	32nd	32nd
Club Seats/Stadium Club	<u>32nd</u>	<u>32nd</u>
TOTAL LOCAL REVENUE	30th	31st



Sources of Revenue for the Average NFL Team



Shared Revenue

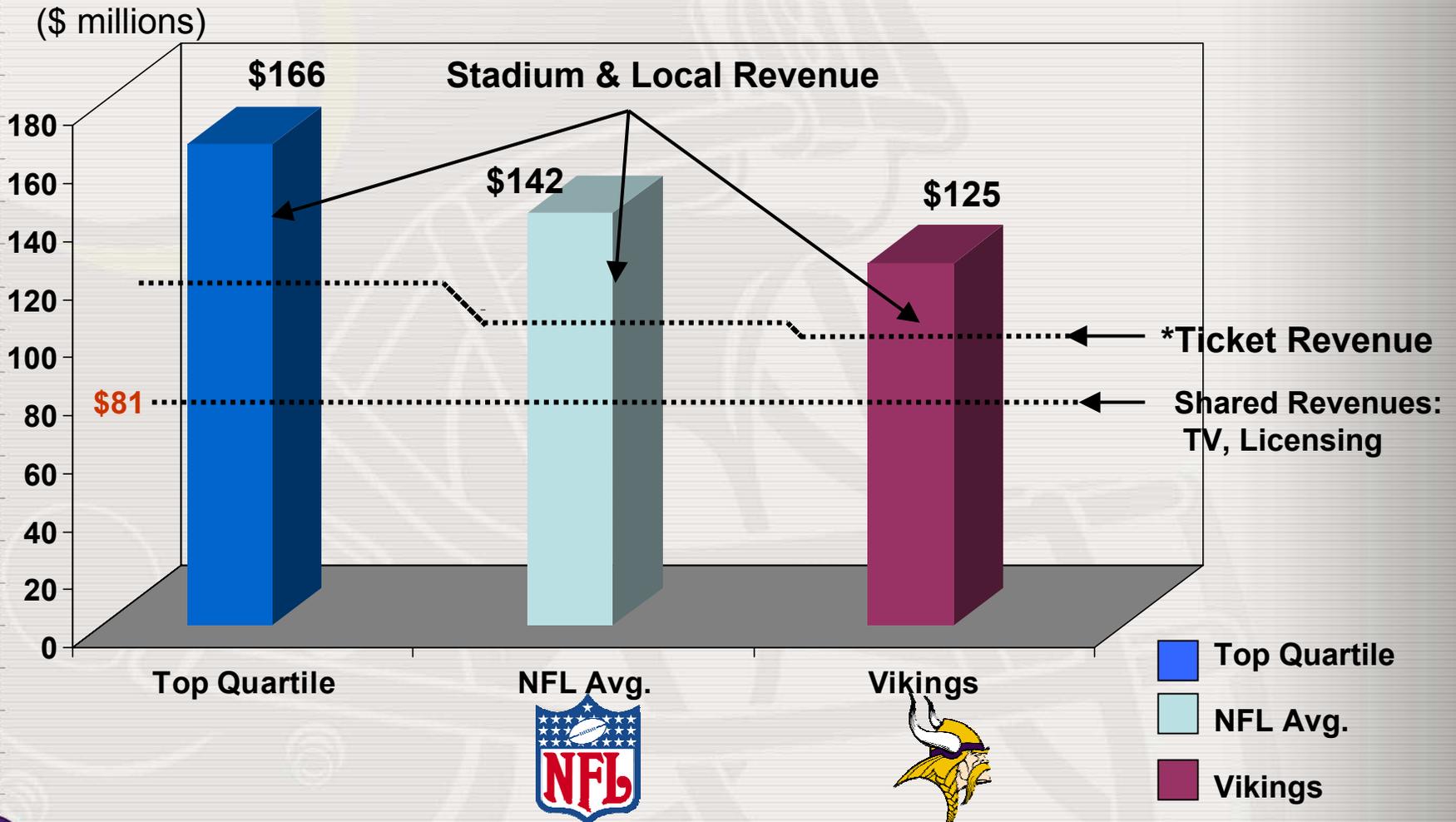
1. NFL Television Contract
2. NFL Properties (e.g. Merchandise, Sponsorships)
3. NFL Enterprises (e.g. Sunday Ticket, Internet)
4. Ticket Sales

Non-Shared Revenue

1. Local TV and Radio
2. Concessions
3. Luxury Suites
4. Club Seats and Lounges
5. Parking
6. Sponsorships/Naming Rights
7. Advertising/Signage
8. Novelties/Programs



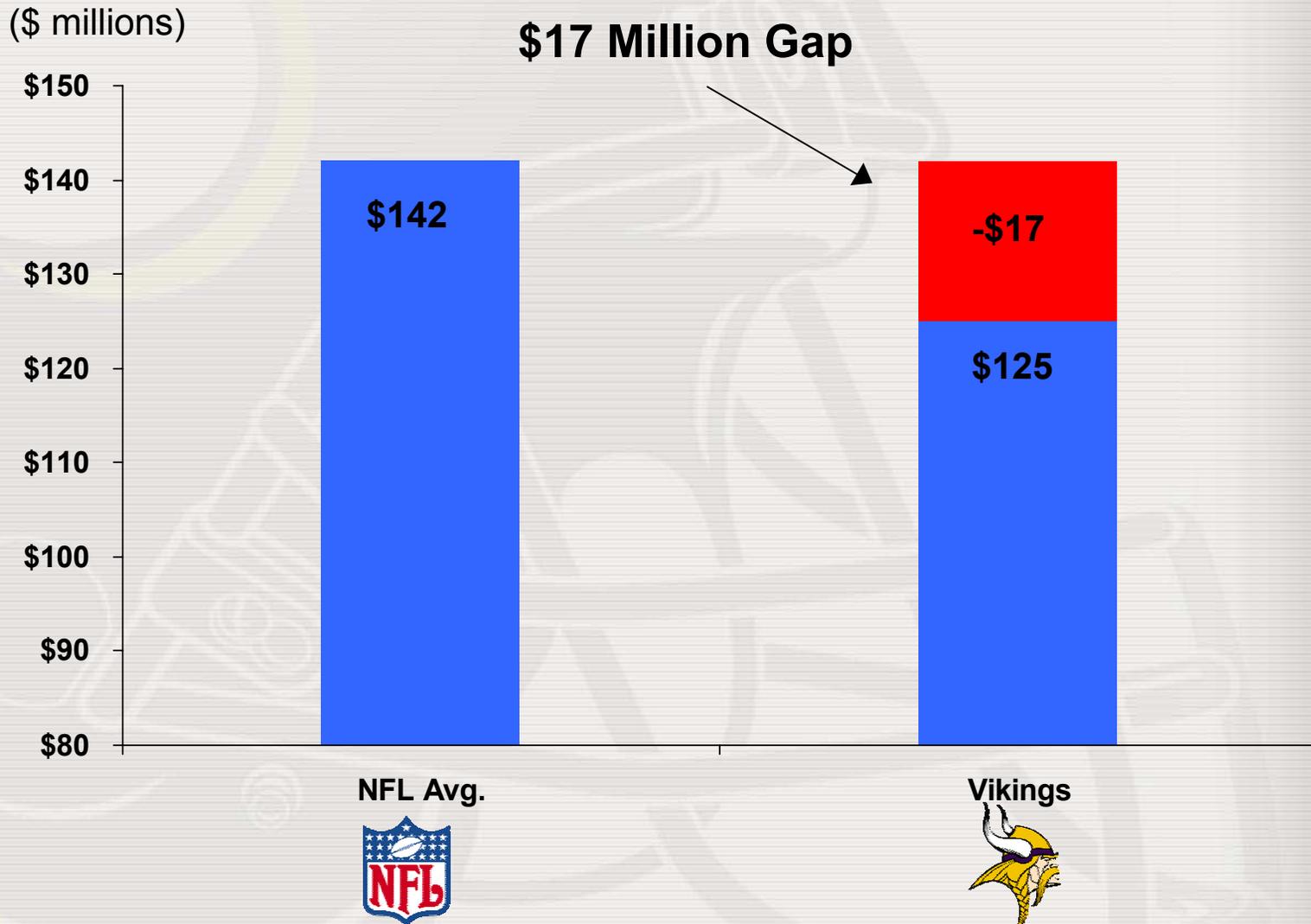
NFL Team Revenue Comparison 2002



* Ticket revenue consists of gate receipts, minus visiting team's share (VTS), plus road VTS, plus club seat premiums



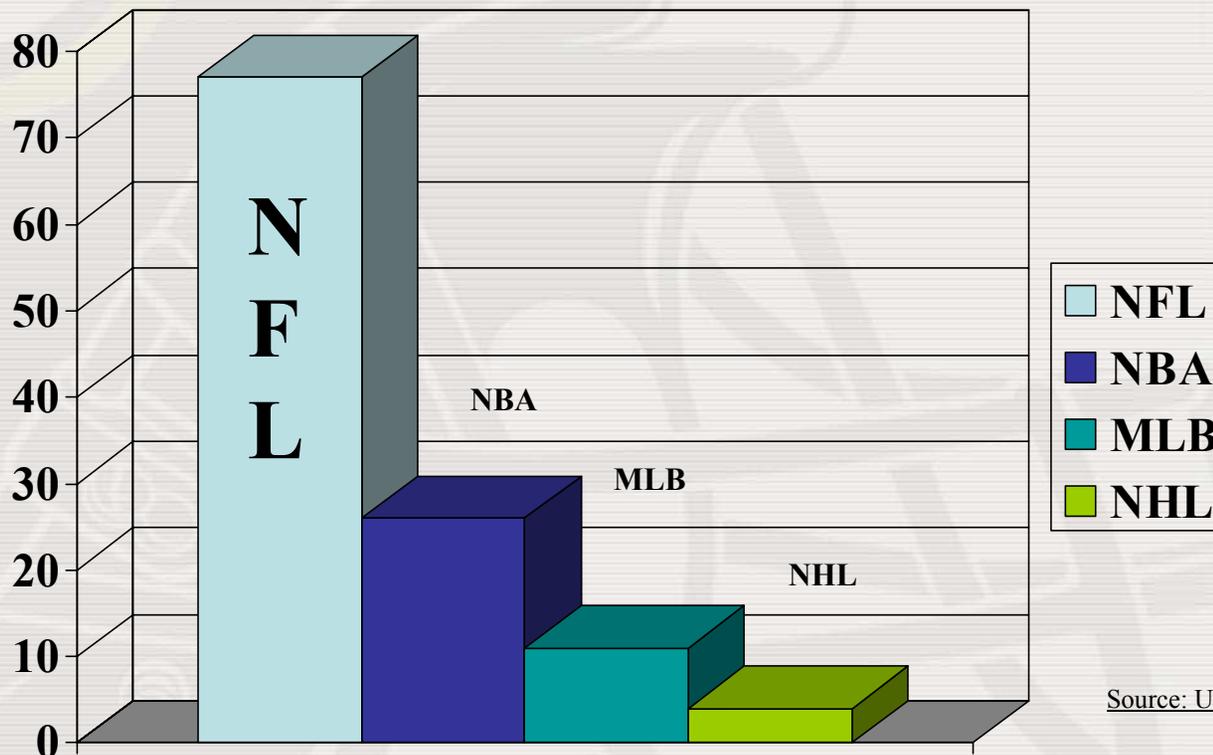
Vikings Revenue Gap





National Television Contracts

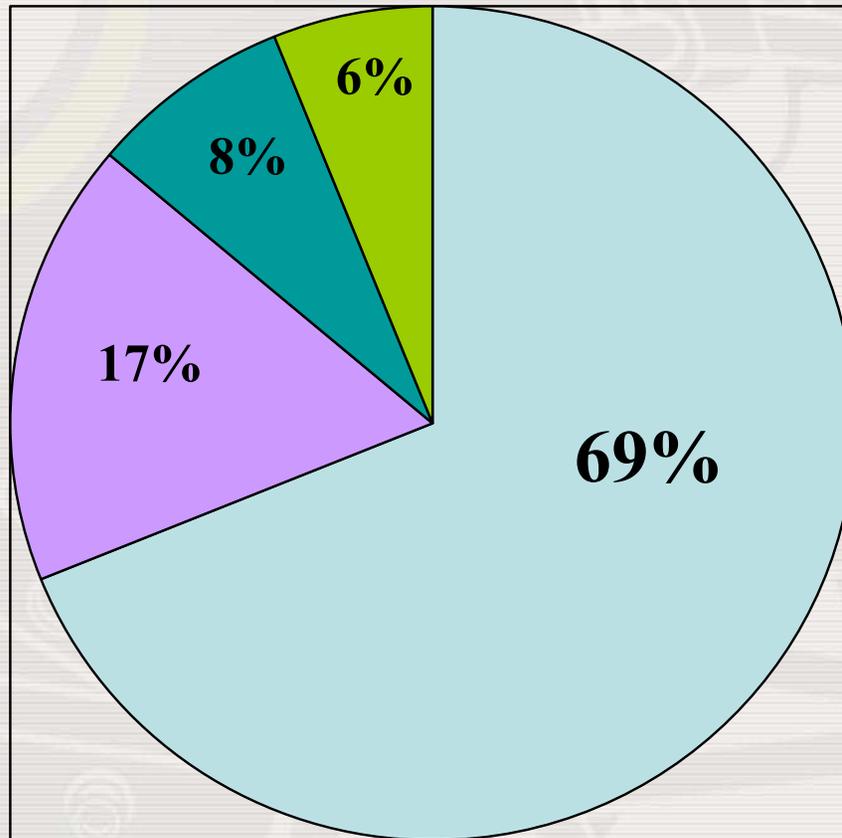
The NFL's national television contract is nearly double those of the other three major sports combined. The NFL's average is \$77 million per year per club.



•The NFL is the one major sport where TV viewership has increased over the last few seasons.



Vikings Operating Expenses



■ Player Salaries and Benefits

■ Football Expenses

■ Administrative and Marketing

■ Other



Salary Cap Economics*

\$Million

	<u>NFL Average</u>	<u>Vikings</u>
Shared Revenue	117	97
Formula %	64%	64%
Total Salary Cap	75	62
Amount Per Team	75	75
Deficiency	--	13

*Simplified illustration, before adjustments



New Stadium Vision - Minnesota Vikings Program Requirements

	<u>Vikings Program</u>	<u>NFL Average</u>	<u>Existing Metrodome</u>
Total Seating Capacity	68,500 *	71,500	64,121
Percentage of Seats on Sideline	58%	56.4%	45.7%
Club Seats	7,000	10,950	0
Suites	150	159	112
Suite Capacity	2,700	2,650	1,714
Stadium Club Area	90,000 gsf	126,738 gsf	NA
Concession Stands	52	50.4	33
Concession Points of Sale	390	390.4	243
Main Concourse Width	48 feet	40.8 feet	24 feet
Parking	8,000/20,000**	9,200	535

*Stadium would be expandable to 72,000, in order to host another Super Bowl in Minnesota.

**8,000 parking spaces if the stadium is located in an urban setting, 20,000+ parking spaces if stadium is located in a suburban or rural area.



A New Stadium Will Benefit Fans

- ✓ More seats - more opportunities to attend a game
- ✓ Wider concourses, more restrooms & concessions stands
- ✓ Parking – more convenient and less expensive
- ✓ More Restaurants, Hall of Fame, interactive games
- ✓ Better sightlines, wider and more comfortable seats
- ✓ More quality seats including sideline, club seats, and suites
- ✓ State-of-the-art video, sound and scoreboard system will add to game experience



New NFL Stadium Is More Than Just 10 Football Games

- ✓ Co-designed for soccer, a new football stadium will help attract Major League Soccer franchise, touring European Clubs, World Cup events
- ✓ Minnesota likely to host Super Bowl
 - 2003 Super Bowl generated \$367 million economic impact on San Diego County
 - 2008 Super Bowl recently awarded to Arizona, where they are building a new football stadium
- ✓ NCAA tournament basketball, potential college football bowl game
- ✓ Concerts, motorcross, snowcross
- ✓ All other world class and major events that require a venue this size



Metrodome Renovation is Not Feasible

- ✓ MSFC proposal to renovate Metrodome rejected by peer review of nation's top stadium contractors and consultants, 2001 Stadium Task Force, Metrodome tenants
- ✓ Small, inflexible footprint makes remodel impossible without near-rebuild of facility, including new roof and tenant re-location for at least one season
- ✓ MSFC renovation proposal flawed:
 - Underestimates construction costs by \$100 million
 - Overestimates increased revenue opportunities
 - Will not solve tenants long-term revenue requirements (within 5-8 years, Vikings would be back at the bottom of the NFL in revenues)
 - No financing solution proposed
- ✓ Renovation will not generate a private contribution or a lease extension by the Vikings



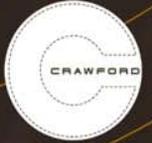
Minnesota Vikings Stadium Vision





MINNESOTA VIKINGS NEW STADIUM STUDY

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Why Minnesota Must Act Now

- ✓ Metrodome debt is retired; MSFC cash reserves at \$20 Million; Metrodome property is extremely valuable
- ✓ Interest rates are at an all-time low, and construction costs will increase over time
- ✓ NFL stadium construction program (G-3) is nearing capacity
- ✓ Stadium site selection, land acquisition, design, financing and construction may well take until the end of the lease
- ✓ Increasing financial challenges adversely impact competitiveness
- ✓ Stadium construction would create jobs and provide economic stimulus in a down economy
- ✓ Investment in the NFL is good for the state of Minnesota

