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## Why Are So Many Execs Packing It in for E-biz Start-ups?

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## Why are so many execs packing it in for e-biz start-ups?

RICK BURTON

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*Do you not know that in a race all the runners compete, but only one receives the prize? So run that you may obtain it. — 1 Corinthians 9:24*

**G**ot to looking through some back issues of Sports Business Daily the other day and was amazed to see all the folks who were leaving sport property organizations to go to media companies or technology start-ups.

Made me think we're all playing a real-life version of Chutes and Ladders. Remember that board game you played as a kid with your brother or sister? Kind of stupid, yes, but better than Candyland. You moved your marker along a set path and ultimately landed on either a chute or a ladder. Ladders allowed you to take shortcuts toward the finish line. Chutes caused you to slide down away from the winner's circle.

So let's look at the old game board for the last 15 months. Rick Welts, former head of NBA Properties, left the league to go to Fox Sports. Gary Jacobus split from IMG to go run Trakus in Boston. Jeffrey Pollack departed the NBA to go to Broadband Sports. Sara Levinson announced she was leaving her position as president of NFL Properties to potentially go to an unnamed Internet company. John Smelzer also left NFLP and Tom Worcester said adios to Major League Baseball for Quokka as well. Meanwhile, Gordon Kane split from the U.S. Olympic Committee to join Ignite Sports Media.

Here's one set of questions: What does it all mean? Are sports properties less exciting than e-commerce start-ups? And, if the league or property execs are leaving, could the athletes go next? Maybe, in the future, all the games will be staged on the Net with virtual players. Very interesting.

Here's another set: Did those execs I mentioned land on chutes or ladders? I'm guessing they're all ladders. Big bucks, equity positions, stock options. Seems like a ladder to me. But then I hear the memory of my frat brother roommate doing his Clint Eastwood impersonation. "There's only one question you should ask yourself: Do I feel lucky? Well, do ya, punk?"

See, I'm wondering if those "hitters" are rolling career dice. Usually, in our society we reward risk-taking. But I'm curious. Will this high profile ship-jumping enhance their future marketability or reduce it? If these companies fail, will it be held against them?

Forget about ABC's question "Who Wants to be a Millionaire?" In the sports technology stock world (especially after the recent Wall Street sell-off), it's not really about the money. The more important questions are: What's your burn rate and what's your exit strategy?

Burn rates measure how long before your venture capitalists, your investors, your sugar daddies pull the plug. I think we can also measure burn rates in quality of life, stress, lost friendships, second mortgages, time away from home. You get the picture.

There are no wrong answers here. Just more questions.

Some folks questioned why I left a sports marketing agency in Connecticut to help direct an academic sports marketing gig with the University of Oregon. It's likely my former employer and friends in the industry thought I landed on one of those long chutes. "Whoops, there goes Rick. Poor sucker never saw it coming."

Turns out it was one of the best ladders I've ever hit. Yes, it was counter-intuitive. I'm earning less money, living in a state with more rivers than people. But the burn rate is low and we have great whitewater rafting. We've also got some great job candidates here in our program if you property organizations or league commissioners need entry-level managers with MBAs.

I expect that all of those "playahs" I referenced above (and most of them are friends — or were before I wrote this column) are doing great. All of them would probably say they needed challenges and these technology opportunities influenced their decisions to leave solid jobs.

And let's be honest. There is nothing more exciting out there right now than the technology game. Baby, it's hot! It's so hot (how hot is it, Great Carnac?) it's so hot, you won't even feel the burn. It's so hot that if you aren't jumping to a dot.com, then somebody should be going upside your head and asking what the hell you're thinking about.

Chew on this, though. Make sure the company you go to, be it via chute or ladder, allows you to stay on the game board. We're all running for that prize (though I would suggest it is more likely found in heaven than on earth). And don't lose sight of your friends and family.

Speaking of friends and family, I'm hoping all the people I gratuitously mentioned above won't forget me when they go public and get to list their "friends and family" in the options benefit. You do that and I'll list you as part of my family when we go rafting.

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