
MEMORANDUM

TO: USATF Board Members
FROM: Larry James, USATF Board Counsel
RE: *Albuquerque Meeting and Agenda Items*
FILE NO. 12917-34775
DATE: **February 20, 2012**

VIA EMAIL ONLY

Board Members,

First, permit me to apologize for not being able to attend the meeting in Albuquerque. We put on a lawyers' seminar for FOP counsel from around the country, which is taking place at the same time as the USATF Board meeting in Albuquerque. Christina will also be presenting at the FOP seminar. However, she will leave on Friday and be in attendance at the USATF Board meeting. If you need to reach Christina regarding any issue, her cell is (614) 309-9212. I will have times to take calls and will be available late Saturday afternoon. My cell is (614) 581-1125. I will also have my Blackberry with me to receive emails.

The Board has some meaty issues before it, so I wanted to provide a list of those issues and some preliminary thoughts. They are as follows:

1. Logo Issue and Nike
We initially reviewed the Sponsorship Agreement with Nike. There were some early observations regarding the Sponsorship Agreement. We asked what Nike's expectations were regarding competitors' logos and use in meets that USATF controls. We observed that Nike had the option of reducing revenue if they determine that the value of this contract to Nike has been reduced by anything that USATF does or does not do. We concluded that this was a problem. We went on to say that we were certain that athletes would love to get as many sponsors as possible.

We also advised David Greifinger that the Nike contract did not directly address the issue of his proposed Resolution and the logo issue. However, we advised David that the contract is crystal clear that Nike has the right to make a determination as to whether any action by

USATF reduced the value of this contract. If Nike made that determination, they had the right to reduce revenue.

I will not go into all the other discussions and debates, I believe we have been there before. Suffice it to say that Nike has stated its position and its position is that it prefers that the IAAF rules control.

Keep in mind that the Nike contract was negotiated by Doug Logan in 2009. I am attaching a copy of his memo to the Board. If there was ever a dispute relative to the interpretation, he would be a key witness as to his intent with Nike regarding the logo issue. That is a place we do not want to be. Absent Nike's willingness to concede the point, we are on dangerous ground for a number of reasons. Thus, it would be our recommendation and concurrence that the best we may be able to do is the Resolution and offered by the National Office.