

Sports & Entertainment Spotlight

Sports & Entertainment Spotlight - March 11, 2021

By Joshua Bloomgarden on 3.11.21 | Posted in Sports & Entertainment Spotlight

Welcome back to another week in the *Spotlight*. It is truly remarkable to think that it has (*already? only?*) been one year since the World Health Organization's declaration of the COVID-19 pandemic, shuttering sports arenas, film sets, theatres, concert venues and disrupting people's way of life – that of course is nothing in comparison to the human toll of the disease. Still, the beat goes on...

At any rate, below is a sampling of some developments that caught my attention this week:

- Non-Fungible Tokens (NFTs) continue to gain traction in the sports, entertainment and art world, with one notable headline that Twitter CEO and Founder Jack Dorsey is making waves by putting the world's first-ever tweet (his own) up for auction as an NFT—current bid stands at \$2.5 million. The jury remains out on bidding for last week's very first *Sports & Entertainment Spotlight*.
- Another emerging trend is that a growing number of so-called blank check companies or Special Purpose Acquisition Companies (SPACs) are hitching to celebrities' stars and grabbing headlines for taking private companies public in multibillion dollar transactions. Consequently, regulators' warnings to speculative retail investors looking to get in on the action are to focus on the associated fundamentals – not the number of social media followers.
- Lastly, it appears that the next time a social media personality/influencer plugs a skincare routine, a new piece of workout equipment or even the latest entrant into the chicken sandwich war, they may be doing so as a guild or union member. Whether and how that will affect brands' marketing strategies remains to be seen, but it will be interesting to watch it play out. Now if you'd excuse me, it's time for my seven-day union break.

Endorsement Deals & Sponsorships

SEC Warns Investors About Buying SPACs Endorsed by Celebrities

March 10, 2021 via Bloomberg Law - News Top Stories (subscription may be required)

Beware of celebrities hyping SPACs (Special Purpose Acquisition Companies). That's the message from the U.S. Securities and Exchange Commission, which warned investors Wednesday (March 10) about buying shares of special purpose acquisition companies based on endorsements from Hollywood actors, professional athletes and famous musicians.

Meet the L.A. banker advising LeBron James, Bono, and Billie Eilish

March 9, 2021 via Fast Company News

When Paul Wachter first met Maverick Carter and LeBron James in 2005—two years after the basketball star made his NBA debut—the investment banker immediately knew that he didn't want to be their financial adviser. He wanted to go into business with them. "What I saw in them was that they were really smart and that they got the idea of building businesses . . . even though they'd never done it..."

Royal earnings explained - How Harry & Meghan could make millions

March 4, 2021 via Dubrovnik Times, The (Croatia)

Meghan and Harry are not returning to work as members of the royal family and have lined up a series of public events, including their Oprah interview. As a result, this has left many wondering, where does this leave their finances? The experts at money.co.uk provide insights as to how the ex-royal couple could rake in the cash they are no longer earning from the family.

TikTok Stars and Social Media Creators Can Now Join Hollywood's Top Union

February 16, 2021 via The New York Times (subscription may be required)

Social media creators have a new way to join Hollywood's biggest union. The Screen Actors Guild-American Federation of Television and Radio Artists has approved an "influencer agreement" that expands coverage and membership options to online content creators. (The term influencer is interchangeable with creator or content creator.) The terms will apply to individuals who are paid to advertise products on social media platforms.

Music IP

Eminem Producers Argue That UK label's Unlicensed Pressing of Infinite Caused Big Anniversary Re-release Plans to be Aandoned

March 10, 2021 via Complete Music Update

The production duo behind Eminem's early recordings were in the London high court yesterday. Well, their legal rep Zoomed in to a court hearing to discuss what damages the Bass Brothers should receive from a UK-based label that pressed up unlicensed versions of

Eminem's first ever album 'Infinite', which was originally released by the producers' label.

U.S. Copyright Office Issues a Supplemental Interim Rule Related to the Music Modernization Act

March 5, 2021 via U.S. Copyright Office - Recent Updates

Pursuant to title I of the Orrin G. Hatch-Bob–Goodlatte Music Modernization Act (MMA), the Copyright Office has issued a supplemental interim rule updating certain reporting requirements of digital music providers and significant nonblanket licensees.

Non-fungible Tokens

JPG File Sells for \$69 Million, as 'NFT Mania' Gathers Pace

March 11, 2021 via The New York Times (subscription may be required)

After a flurry of more than 180 bids in the final hour, a JPG file made by Mike Winkelmann, the digital artist known as Beeple, was sold on Thursday (March 11) by Christie's in an online auction for \$69.3 million with fees. The price was a new high for an artwork that exists only digitally, beating auction records for physical paintings by museum-valorized greats like J.M.W. Turner, Georges Seurat and Francisco Goya. Bidding at the two-week Beeple sale, consisting of just one lot, began at \$100.

Are Your NFTs on the Wrong Blockchain?

March 10, 2021 via Fortune Magazine

The recent craze for blockchain-backed digital art certificates, or NFTs, has been focused on the breakout artists, celebrities, musicians and athletes creating them. That focus is understandable because, as collectibles, the value of NFTs derives largely from the people or communities involved in their creation. But the value of NFTs (short for 'non-fungible tokens') depends on another factor that is at least as important, and is much less frequently discussed than the newest drop from Grimes or Lindsay Lohan. Take a moment to ponder this question: Do you know which blockchain NFTs actually exist on?

Rob Gronkowski Selling Non-Fungible Tokens of Super Bowl Moments

March 9, 2021 via Pymnts.com

Tampa Bay Buccaneers tight end Rob Gronkowski is selling more than 300 non-fungible tokens (NFTs) spotlighting moments during this year's Super Bowl and the other three Super Bowls of his career, according to a CNBC report on Tuesday (March 9). The NFTs — hand-illustrated by Brazilian art studio Black Madre — will feature Gronkowski's football career highlights on five digital trading cards. They will be sold on the blockchain-based Open Sea marketplace, which specializes in user-owned digital merchandise, including gaming items, domain names, digital art and more.

Jack Dorsey Is Selling His First Tweet as an NFT for Millions of Dollars

March 9, 2021 via News Break - Top Stories

Twitter CEO Jack Dorsey is selling the first tweet on the website - his own - as a non-fungible token. The tweet says “just setting up my twttr”, which was posted on 21 March 2006. It has 130,000 retweets and 152,000 likes, at time of writing. This non-fungible token, abbreviated to NFT, is a way for people to sell digital items as collectibles. They exist on a similar blockchain technology to bitcoin as a way to prove “ownership” of them. Mr Dorsey put to tweet up to auction on a platform called Valuables. The current highest bid is \$2.5 million from Sina Estavi, CEO of Bridge Oracle.

Non-Fungible Tokens Could Change 'Culture, Period,' Says Art Specialist

March 5, 2021 via Newsweek

Last week, you may have noticed people online discussing the merits of non-fungible tokens (NFTs), whether they're digital NBA Top Shot collectibles or the new album from Kings of Leon, the latter of which will apparently be sold as an NFT.

Five Things Brands Need to Know About NFTs (Non-Fungible Tokens)

March 5, 2021 via Forbes – Business (subscription may be required)

Online, space is ever-expanding. People are creating new areas on the web, pushing the digital frontier ever farther into the ether. Non-fungible tokens or NFTs are slowly going mainstream. Christie's auction house was founded in 1766 by James Christie and has celebrated auctions through the centuries from art to jewelry to photography and other collectibles. For the first time ever, Christie's is accepting Ether, a type of cryptocurrency, as payment for a work by Beeple called Everyday: The First 5000.

Square's \$297 Million Deal for Jay Z's Music Service Tidal May Bring Blockchain to Masses

March 5, 2021 via Reuters - Mobile - Top Stories

Payments firm Square Inc agreed lastThursday to buy a majority stake in rapper Jay-Z's Tidal music streaming service for \$297 million in a deal that could popularize blockchain or other new approaches to storing and buying online media.

Right of Publicity

House Panels Oks Bill to Let College Athletes Profit From Skills

March 9, 2021 via AZ Capitol Times - Legislature News

State lawmakers are just a step away from allowing athletes at Arizona colleges and universities to profit from their skills, at least indirectly. With only one dissenting vote, the House Education Committee approved a measure requiring all schools to allow student athletes to earn compensation from the use of their own name, likeness or image.