

WASHINGTON STATE

A T H L E T I C S

Name, Image, & Likeness Overview

Agenda

- ◇ Introduction
Pat Chun, Director of Athletics
- ◇ Name, Image, & Likeness (NIL) 101
Brad Corbin, Senior Associate Athletics Director/Chief Compliance Officer
Nick Garner, Assistant Athletics Director for the Student-Athlete Experience
- ◇ Student-Athlete Panel
Speakers TBD
- ◇ WSU Support & Resources
Nick Garner, Assistant Athletics Director for the Student-Athlete Experience
Marie Mayes, Director of the WSU Center for Entrepreneurial Studies
- ◇ Where is NIL Today?
Pat Chun, Director of Athletics
Brad Corbin, Senior Associate Athletics Director/Chief Compliance Officer
- ◇ Coach Panel
Speakers TBD
- ◇ Open Question & Answer Session
- ◇ Facility Tour
Nick Garner, Assistant Athletics Director for the Student-Athlete Experience

NAME, IMAGE, & LIKENESS 101

What is Name, Image, and Likeness?

Name, Image, and Likeness (NIL) is a reference to the opportunity for student-athletes to monetize the commercial use of their names, images, and likenesses.

NAME



IMAGE



LIKENESS



How Did We Get Here?

Pre-2021

NCAA student-athletes were not permitted to monetize the status and reputation derived from their athletic pursuits.

While they could be paid for work performed, the compensation could not be for the value of the student-athlete's name, image, or likeness but instead only the going rate for the actual work performed.

2020

States began introducing and passing legislation that would become effective July 1, 2021, or later. These laws, though lacking in uniformity, created tension between longstanding NCAA rules and the states in which member institutions and student-athletes resided.

With the first state law effective date looming, the NCAA looked to quickly adapt and open up NIL to student-athletes.

July 1, 2021

The NCAA instituted the interim policy permitting student-athletes to monetize their NIL within a set of competitive equity-driven regulations.

The new era of permissible compensation has invited new opportunities but also new challenges for student-athletes and institutions alike.

REGULATORY ENVIRONMENT

NCAA Interim Policy

The NCAA put forth an interim policy in July 2021 in order to provide parameters for student-athletes and institutions. As the policy states, three significant restrictions remain in place:

NIL offers may not be made to **induce** a student-athlete's enrollment

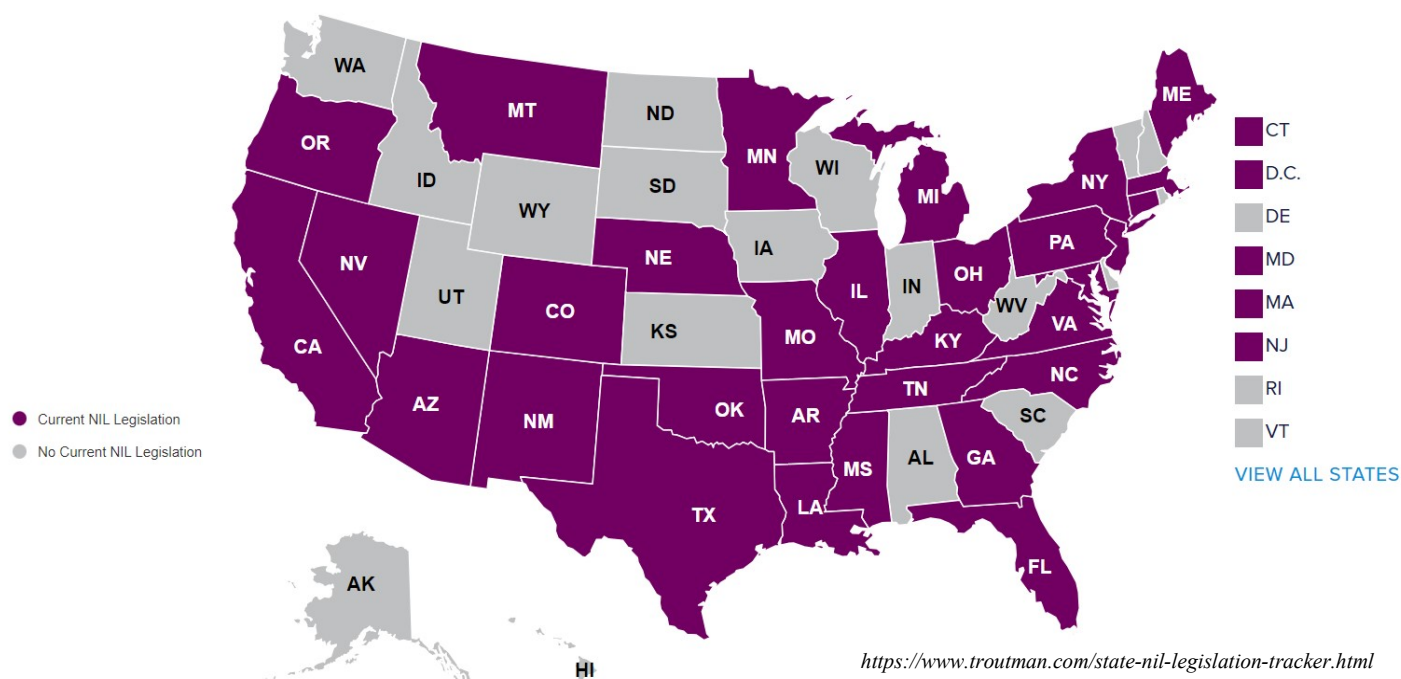
NIL offers may not be contingent on **athletic performance or success**

All NIL agreements must contain a **quid pro quo**

Additional information about NCAA regulatory efforts in NIL can be found at:

ncaa.org/sports/2021/2/8/about-taking-action

Web of State Laws



Washington State Ethics Law

The state of Washington's ethics law restricts Athletics staff members' involvement in NIL. By restricting the degree to which knowledgeable staff can assist with student-athletes, collectives, and businesses, the law disadvantages those who need the most support during this new era.

NOTABLE CHALLENGES



International Student Restrictions

International student-athletes using F or J visas for enrollment at domestic institutions are prohibited from engaging in off-campus employment.

The restrictions on employment leave international student-athletes with significantly less earning power than their peers because of the limited methods for engaging in employment in a manner compliant with immigration law.

Agents & Third Parties

With the arrival of NIL has come many new actors. While some agents and third parties work in earnest for the student-athletes, others operate with short-term interest only. The high enthusiasm of student-athletes to earn compensation in this new area leaves them vulnerable to undesirable representation agreements rife with restrictive terms and high commissions.



Collectives

The newest and most unique entity to enter the NIL space is the collective. These groups, generally consisting of alumni and boosters, are formed with the primary focus of channeling business investments and individual donations into NIL opportunities for student-athletes at their respective institution. While they often communicate with their institution's athletics department, they are currently considered separate from the institution. This perceived separation and functional collaboration presents several issues including but not limited to Title IX equity concerns.

Transparency

Much of the issues surrounding NIL in collegiate athletics stems from the lack of transparency. With no reporting requirements for NIL agreements and no registration requirements for agents, collectives, and other third parties, the space is opaque enough to allow bad actors to create havoc and uncertainty with little fear of accountability.



NIL COLLECTIVES

What is a Collective?

Name, Image, & Likeness (NIL) collectives are entities structurally independent from institutions yet created for the purpose of funding NIL opportunities for the institution's student-athletes. Typically, collectives are founded by the school's well-known alumni and supporters.

How can Institutions Interact with Collectives?

In its October 2022 updated guidance, the NCAA permitted greater interaction between institutions and collectives (e.g., fundraising assistance). This permissible entanglement can create other issues, however, including potential Title IX issues related to inequitable NIL opportunities and liability for any impermissible actions taken by the collectives.

The Role of Collectives



Ideally, a collective is a conduit through which businesses and student-athletes forge connections, create NIL opportunities, and ensure all agreement terms and payments are satisfied.

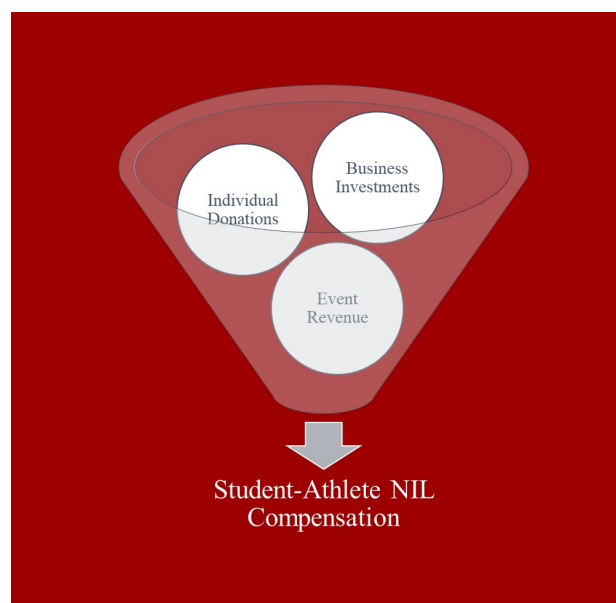
As illustrated, the collective often has more established relationships that can ease the process of selecting, communicating with, and agreeing to terms with student-athletes.

Additionally, per current NCAA regulations, the collective must operate independently in selecting/compensating student-athletes while also ensuring that the NIL agreements do not serve as explicit inducements for recruitment or continued enrollment.

As illustrated, collectives have the opportunity to leverage the financial donations and investments of individual supporters and businesses in order to make the largest possible impact on the NIL opportunities afforded the institution's student-athletes.

The unfortunate reality, however, is that this arrangement leaves the fate of the individual donations/investments to the discretion of the collective's key stakeholders with little, if any, accountability for the use of those funds.

With minimal transparency, the collective may decide to act in a manner counter to the NCAA rules regarding tampering, recruiting/retention inducements, and pay-for-play.



Washington State NIL Education

Washington State Athletics has taken a multi-faceted approach to providing education about Name, Image, and Likeness opportunities. Through directed programming, targeted partnerships, and community relationships, WSU Athletics is working to provide NIL education to all 450 student-athletes. It is our goal to educate each student-athlete on the rules, skills, and opportunities that come by engaging in the NIL space so that any student-athlete can find success.

Student-Athlete Education:

To prepare student-athletes for success, the Student-Athlete Experience staff hosts educational programs covering personal branding, business pitch development, rules education, contract development, negotiation, and more for all student-athletes. This has included large workshops with as many as 96 student-athletes in attendance as well as small group sessions and one-on-one meetings. Student-Athletes then have the ability to take the lessons learned and apply them as they connect with potential business partners.

Partnership with Carson College of Business:

The WSU Athletic Department led the way into the era of Name, Image, and Likeness by developing a partnership with the Carson College of Business to encourage and empower student-athletes to “think like an entrepreneur” and maximize their business opportunities. This has led to the creation of a class, Entrepreneurship 496, that teaches the fundamentals of entrepreneurship in the context of college athletics. The Carson College faculty and staff have also provided student-athletes with support around the writing and negotiating of contracts through one-on-one meetings.

Community Engagement:

NIL opportunities need not only educated student-athletes, but also knowledgeable businesses who feel comfortable engaging in this new space. With this in mind, WSU Athletics has committed itself to providing education to businesses that are interested in supporting these NIL endeavors. Last fall, we hosted an educational NIL Town Hall event that saw over 800 people join both in-person and virtually. We also used connections within the Pullman Chamber of Commerce to host a Networking Night for student-athletes to engage with businesses about career, internship, and NIL opportunities. Lastly, we have spent time this summer meeting one-on-one with businesses to discuss ways that their individual businesses can get engaged.

NIL Resources:

In an effort to provide WSU student-athletes with the best resources possible, WSU has partnered with several third-party groups to provide NIL opportunities. Through partnerships with NIL marketplaces INFLCR, Iconsource, MOGL, and Opendorse, WSU student-athletes gain access to potential opportunities with companies from across the country. These marketplace partnerships have proven to be one of the better ways for student-athletes to engage with businesses outside of the Pullman community.

This new era in college athletics has shifted the athletic department’s obligations to student-athletes. It is now our responsibility to prepare student-athletes to think and act like business entities. With this new goal in mind, WSU Athletics has developed a proactive educational model through meaningful partnerships and programming that we believe sets each Cougar up to find and take advantage of Name, Image, and Likeness opportunities.

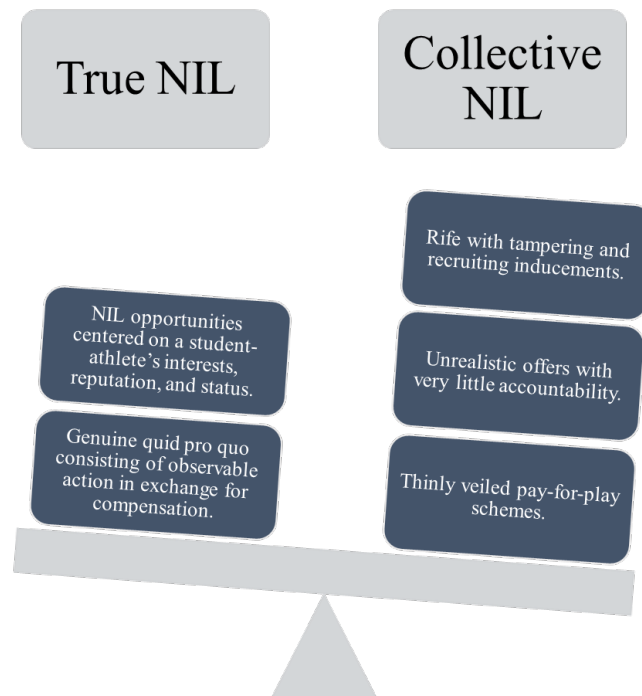


CURRENT STATE OF NIL

Today's NIL is a toxic environment in which Collective NIL uses tampering, inducements, and pay-for-play to undermine the primacy of academics in collegiate athletics and harm the student-athlete experience.

Two Versions of NIL

The current state of NIL is split into two distinctly separate versions of NIL opportunity:
True NIL and Collective NIL.



Potential Solution

The NCAA NIL ecosystem is flawed but there is one potential solution that could provide stability and a path forward in this space: transparency.

Without mandatory disclosures and required third party registrations, it is impossible for the NCAA and its member institutions to understand the full scale of the marketplace. While headlines and anecdotes shed light on a few particular instances, the day-to-day NIL activity is hidden behind the opaque status quo.

Only once information is more readily available can the NCAA's rules and regulations truly stem the tide of "collective NIL" and the ensuing issues.