

Sheppard Mullin's Sports Team Leaders On Love Of The Game

By Tracey Read

Law360 (April 14, 2023, 10:39 AM EDT) -- Longtime Sheppard Mullin Richter & Hampton LLP partners Brian Anderson and David Sunkin are passionate about both legal work and sports. Now, they'll have the opportunity to put their dual dedications to good use as the firm's new co-captains of the sports industry team.

The duo will lead the firm's multidisciplinary sports industry team, which includes more than 50 attorneys globally who provide legal counsel to owners, investors, teams, athletes, leagues, governing bodies, facility operators, rights holders, advertising companies, sponsors and sports technology businesses.

Anderson is a technology and commercial transactions partner based in San Francisco who also leads the firm's advertising practice. He joined the firm nearly 19 years ago.

Sunkin is a corporate partner based in Los Angeles who specializes in mergers and acquisitions and securities transactions. He has been with the firm for more than 18 years, representing owners of major league sports franchises in sales of majority and minority interests.

Anderson has a bachelor's degree in political science and economics from the University of California, Davis, and also earned his law degree from that school, in addition to being a member of the NCAA Men's Soccer Team.

Sunkin graduated from Loyola Law School in Los Angeles and has a bachelor's degree in economics from the University of California, Los Angeles.

Anderson and Sunkin spoke with Law360 about their new roles. This interview has been edited for length and clarity.

What are your goals in the new role?

Anderson: Our team is just relentlessly focused on the business of sports. Not just doing the legal work, but understanding the industry trends, the players, looking into the future, understanding where the business is going, and having that sort of guide our technical legal work.



David Sunkin



Brian Anderson

One of the things we've done is we've launched a new e-newsletter called the Sheppard Mullin Sports Page. It comes out every week. Anybody can look at it. There's no paywall. It's a real quick read. The idea is to kind of curate sports industry information for sports professionals. Give people the headline and the quick insight, and maybe that adds value. And maybe that's good enough, but if they want to go deeper into it, and really dive into the topic, then here's sources of long-form journalism where you could really go into detail on the topic. That's exactly the format we're going for.

Sunkin: Yeah, we're really trying to distinguish ourselves. We love to do the legal work and all the technical drafting or whatever that goes into it, but we really try to bring a different point of view to our representation of our clients to help them make decisions that are maybe more strategic, more global, more macro.

And that's really what the sports page is designed to do. It's curated with three or four articles, and it links the other primary sources of these articles. We're not drafting this stuff, we're drafting a small bullet that explains, "Hey, did you see the UFC and the WWE are merging" and all that stuff. It's really not legal in nature. I mean, we're sending people to Sports Illustrated, the Washington Post, and those kinds of sources just communicate what we think is important.

What sports industry trends are you seeing?

Anderson: I've got two that I'm excited about. One is private equity investment and ownership in professional sports. We're starting to see this more and more across a lot of different sports — the NBA, Major League Soccer, NWSL Premier League, LaLiga. And it relates to a project that I just worked on representing the investor group who brought the NWSL Bay Area team who got the successful bid to bring a women's professional soccer team to the San Francisco Bay Area that involves institutional ownership. And we think this is going to be a big trend.

And then the second one is sports technology and specifically looking at virtual reality and augmented reality in sports marketing. We're seeing all sorts of really cool examples of teams using augmented reality games for fan engagement through apps and games and in-stadium stuff through the television broadcast. So we think this is a really cool trend in that sort of sports technology area.

Sunkin: One trend is related to private equity investment in sports teams and major league franchises. The prices have gone crazy, right? The [Denver] Broncos is valued at what, \$4.6 billion? The [Washington] Commanders' I think is gonna be between \$6 billion and \$7 billion. [One day after Sunkin's interview with Law360, Commanders owner Daniel Snyder reached an agreement to sell the NFL team for a record \$6.05 billion].

The NFL for example, does not allow private equity ownership, no institutional ownership. It's really a family business. It was built that way. There's a decreasing number of individuals who can write those kinds of checks, and you have to put down 30% equity. So it'll be interesting to see how the NFL does or does not address the issue of there's a limited pool of buyers when a team comes up for sale. That's gonna be interesting to see how that plays out.

We think other leagues are going to start sort of relaxing some of their rules around private equity and institutional ownership, as valuations continue to go up and hit either a real or perceived limit. So we think we're going to see a lot more of those types of transactions in the future. Minority and underrepresented people are investing more and more in teams and that's important. All the leagues have identified that they really want to see more minority engagement in the ownership. That, again, ties

into these astronomical valuations, so I think those two things will converge at some point.

How did you get into sports law?

Sunkin: Well, I've always liked sports. Everybody does. I kind of fell into it, frankly. One of my earliest clients when I got here was Pasadena in the Rose Bowl when they were doing that \$200-and some odd million dollar renovation of the stadium. So the first assignment I got was generating the revenue sources to pay off those public bonds. I was opposite UCLA, because they play their football games there.

Then I was opposite Tournament of Roses — which does the Rose Bowl game, and that got me involved in college football playoffs, and that got me into venue representation. They have this thing called the Arroyo Seco music festival with [live entertainment company] AEG. So with all this, then the sponsorships became more valuable. That kind of got me my start.

Then I did some work for the Dodgers, and brought the Dodgers in as a client. We're doing a lot of different things for the Dodgers. I represented Frank McCourt, the prior owner of the Dodgers, and that got me into the [Los Angeles] Marathon and other things that he was doing. Now I represent UCLA and USC in the 2028 Olympics. They're going to be providing considerable venues for the Olympic Games, which is a lot of fun.

Anderson: I come at it from a soccer perspective. I've been playing — and have been obsessed with — soccer my entire life. I played in college and I still play recreationally. Before college, I played in Europe for a few years as well in a youth academy for a club in the Netherlands. It was a lot of fun. It was a great experience.

I've always been actively trying to combine my legal career with my interest and passion for sports, and soccer in particular.

I started working in advertising and doing sponsorship deals. From there, I was very lucky to work with brands like Adidas and Mastercard doing some of their big sports sponsorship deals with [UEFA] Champions League and players like [Lionel] Messi and Neymar. And then from there, it just kind of builds on itself and I started representing some teams and some investor groups and some leagues. But for me, it's been very, very intentional to do work in the sports industry.

Any predictions on the future of the practice?

Sunkin: We've got a really good group of people. People think sports is sort of sexy, but it's legal work at the end of the day. One of the things I really like is that we have a lot of younger associates. This is not a partner-only team. This [practice] really appeals to a lot of the younger associates. I think that's terrific for us older partners. It's just like a good energy. We've also got some of the more significant partners in the group in terms of revenue that are very, very active. Everybody's really active, which is great. So we're just gonna keep climbing that hill and hopefully a year from now we'll be bigger and better.

Anderson: I think it's a very exciting time to be focused on this industry. I'm excited to see what we do over the next few years.

--Editing by Alyssa Miller.

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