

League Regulation

Objectives. The Senior PGA Tour (Champions Tour) needed analysis of the competitiveness of its rules regarding its control over which players would be allowed to play each week of the Tour.

Challenges & Methodologies. Analysis of the Tour viewer demographics, advertising content and rates, and other market characteristics showed that the Tour was just one of many sports entertainment options with which to access these key customers, thus eliminating the argument that the Tour was acting monopolistically. Further, the league was found to not create any significant barriers to entry for competing sports entertainment options or for the formation of competing tournaments.

Although the Tour could be considered a monopolistic supplier of key golf talent, it was determined that this was due to the market demand – fans want to see one tour with all of the best, well-known senior players, and not many different tours and tournaments with only a few marquee players – rather than Tour actions. Moreover, it was shown that the popularity of the players, rather than their current rankings or scores, was a critical factor in the success and marketability of the Tour, and therefore the current Tour structure and the ability to have marquee players competing in one tournament was valuable to both fans and sponsors.

Outcomes. We drafted a report showing the results of research on these issues. As a result of our findings, the client was successful in winning a motion to dismiss, and the multi-million dollar case and injunction against the Tour were thrown out.