

# Regrouping on Group Licensing

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## Regrouping on group licensing

Group licensing is off the table for now in the name, image and likeness debate. The most likely application of a group license, if it were in play, would be for jerseys, but proposed legislation restricts schools from co-branding merchandise with their athletes. North Carolina is attempting a group license for former players, a story I wrote for this week's SBJ.

In his many conversations with ADs, sports attorney Martin Edel from Goulston Storrs said group licensing is a concern for schools seeking to protect their IP. NIL bills at the state level do not address group licensing. One bill proposed by the Senate, Edel said, does address group licensing, but it is not likely to become law before the schools need to deal with it. Edel: "As a result, we believe that colleges and universities will have to chart their own path, or one with their conference" to activate a group license.

"Monetizing NIL rights still is viable even if group licensing does not exist, but there are ways that colleges and universities can continue to protect their intellectual property while affording means for group licensing," he said.

## Higher level of liability, risk come with NIL

Athletic departments have to protect their athletes, but they have to protect themselves too. The looming age of NIL will bring threats of liability and risk unique to the NIL era. "Understanding liability will be paramount," said Peter Schoenthal, CEO of Athliance, a firm that works with a half-dozen schools to provide NIL-related software. "We want to protect the student athletes, but not from the standpoint of creating additional liability for the university."

That was a hot topic today on a LEAD1 webinar. My takeaways, not surprisingly, centered on recruiting and boosters.

The recruiting process also is about to change drastically, said Arizona Senior Associate AD/Compliance Brent Blaylock. The day is coming that a recruit's representative is going to ask an AD or coach what kind of income-producing opportunities there will be. Recruiting material will include social-media engagement, information about the local economy and a school's NIL programming and infrastructure. Blaylock: "These are going to be major decision-drivers for some of these athletes."

There are going to be some natural tensions between the athletic department and the athletes, which is why the schools are trying to stay out of NIL activity. Ultimately, though, the schools are

supposed to tell athletes if a deal would threaten their eligibility. "You better know your athletes and who they're working with," Schoenthal said.

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