### MLB Expansion into the Carolinas

Major League Baseball is booming financially. From 2000 to 2010, America's past time drew 808,715,710 fans to the old ball game and revenues are at an all-time high. Like baseball, Charlotte, North Carolina is seeing stunning growth in both population and fiscal health. This has been quite a feat for both the sport and the city, considering the dismal economy Americans have endured for the past three years. Charlotte and the Carolinas have a rich heritage of sports fans, which would only improve with the introduction of an MLB franchise that would benefit both.

## Part I: Industry Value and Trends

Since 1930, baseball's attendance has increased every decade. A record was set in 2007 with 79,447,312 spectators in attendance. The 2007 single season saw slightly less fans than the entire 1930's decade that glistened with Babe Ruth, Lou Gehrig and Joe DiMaggio (baseballchronology.com). The success is especially impressive with the recent curveballs thrown in the league's direction. The baseball strike in 1994 secured the NFL's claim as the most popular sport in America. Then came the steroid era starting in the late '90's in which baseball's heroes were needled as cheats and liars. Through all of this, baseball is as healthy as it has ever been and is in prime position to cut the NFL's lead and win back the true title of America's game.

Baseball's first broadcast rights sale came in 1897. For \$300, free telegrams were used to transmit game play-by-play over the telegraph wire. Western Union paid each team \$17,000 for the rights to broadcast the games in 1913 (Haupert). That's the equivalent of \$365,000 today, indexed for inflation.

Today's game has a different price tag. The MLB produced a new record in revenue in 2010, hauling in \$7 billion, a 4.5 percent increase from the previous year (Klayman). Bud Selig said, "There's no question, this is the golden era for the sport and given the (weak) economy, this may be the most remarkable year we ever had.

Every economic option in our business is up this year. We're at numbers nobody ever thought possible"

(Calcaterra). Baseball's revenue has grown at a steady pace the past three years. The 2010 record hasn't been a record long. The 2009 season generated \$6.6 billion in revenues, the most ever to that point. Revenues in 2009 were up 1.5 percent, from \$6.5 billion in 2008 (Brown). Even more notable is that baseball profits have doubled since 2001 (Sports Marketing 2008).

Forbes stated MLB teams are now worth an average of \$523 million. That is a seven percent increase from last year and an all-time high. This gain is attributed to new ballparks and regional sports networks that increased revenues (Badenhausen). With the steroid era fading, baseball is breaking through and reestablishing its stellar reputation.

Despite the grand slam in revenue, attendance has declined since the record year of 2007. Attendance may be down, but looking at the big picture reveals that last year's total is the sixth-highest in MLB history and only .4 percent lower than 2009. The seven years running are the seven best attended seasons in MLB history. With a strong focus on affordable ticket options, the MLB has shown business savvy by producing these numbers in the midst of a recent recession. Revenue from ticketing is down slightly, approximately .5 percent, due to ticket discounting (Toms 1). If attendance is down, where is the revenue growth?

The climb in total revenues for the season can be credited to local television deals and the return of ads from the automotive and financial sectors (Doria). Fox negotiated a seven year, \$1.75 billion deal that started in 2007. The MLB also has an eight-year, \$2.36 billion contract with ESPN through 2013 and a smaller agreement for limited games with Turner Broadcasting (Barron). In contrast, TV ratings for the sport have seen a decline in the past few years. TV ratings for regular-season baseball games on Fox were flat in 2010 after dropping 22 percent from 2007 to 2009, according to Nielsen Co. In comparison, ESPN ratings have dropped 40 percent since 2007. TBS was flat in 2010 after a 33 percent decline in 2009. Regardless of the slip in ratings, baseball's national broadcast partners, who pay the league a combined \$900 million annually, are pleased, "We're very

happy with where baseball is today," Fox Sports President Eric Shanks said. "If the deal was up this year, I think you would see Fox definitely at the table for renewal" (Klayman).

MLB games on TV are raking in significant returns through ad sales and television contracts. For example, in June of 2010, Fox reported that its ad sales inventory was 90 percent sold throughout the regular season.

According to Jon Diament, Executive VP of Turner Sports Ad Sales and Marketing, 27 new advertisers contributed to the 2010 MLB playoffs. In 2010, a World Series advertisement is priced at a whopping \$430,000 for 30 seconds (Toms 3).

In January of 2009, the MLB launched the MLB Network, which was initially received in 47 million homes, the biggest launch in cable TV history (Sessa). The network gained accolades for quality programming, but the early momentum faded. The MLB Network is averaging less than 100,000 viewers in prime time. Fans regularly complain about the blackout policies. MLB Network executives say that the early numbers are in line with their expectations. The good news is that the business metrics are strong with advertising and licensing as revenue (Ourand 1). The MLB network is a great addition to the sport, but it may need to revamp its blackout rules, as it is aggravating to loyal baseball fans.

The NBA, NHL, NFL, and MLB collectively experienced a 7.6 percent increase in sponsorship revenue in 2010. The MLB is up 6.7 percent from 2009 to \$548 million. According to William Chipps of Sponsorship.com, the rebound in spending can be attributed to pent-up demand after two years of budget cuts and the availability of unmarketed inventory. Corporate sponsors in the baseball world are stronger than ever. Automotive and insurance companies provided major dollars to sports venues and television. Baseball officials said new sponsors such as ScottsMiracle-Gro Co and Firestone pushed spending by North American companies on MLB up in the low double digits percentage-wise this year. Recently, Under Amour decided to hop on board as the official performance footwear supplier and Anheuser-Busch has renewed their sponsorship with the MLB for an estimated \$10 million (Ourand 2). The MLB is proving its value as a marketable sports brand.

The national football league is the MLB's major competition. However, the NBA, Major League Soccer, NASCAR, Golf and college athletics all vie for fans. Currently the NFL is a thick labor dispute. The NBA is buzzing with the same potential problem. Lockouts like the baseball strike of 1994 can handicap a league. It took the MLB four years to recapture the revenue produced in 1993 (realclearsports.com). Some fans have never returned to the sport. With the NBA and NFL facing similar consequences it is time for the MLB to make a big move to gain fan support.

The MLB is investing in foreign opportunities for future talent, fans and revenue. In 2007, the New York Yankees became the first team to enter into a sponsorship with a company from China (mlb.com). MLB International has offices in Beijing, New York, London, Sydney and Tokyo with a goal of showcasing baseball globally through broadcasting, special events, market development, licensing and sponsorship. MLB clubs have played five opening series outside of the United States and Canada: 1999 Monterrey, Mexico; 2000 Tokyo; 2001 San Juan, Puerto Rico; 2004 Tokyo; 2008 Tokyo (Pardini). By developing baseball in other countries, the MLB is investing for future growth. The leagues devotion to globalization is already being realized in the population giant of Asia. This strategy plays to the MLB's strength, as the NFL has less potential for foreign growth.

Going global is a smart move for many reasons, but embracing baseball's rich diversity fits the MLB's makeup.

Nicholas Pardini, correspondent of bleacherreport.com said, "Out of all of America's major sports leagues,

Major League Baseball has the most racial and cultural diversity among its players. Star players such as

Vladimir Guerrero, Ichiro Suzuki, Ryan Howard, Alex Rodriguez, and Chipper Jones show a cultural balance in

star power that is not apparent in the NBA or NFL." MLB's global plan may be the key to overtaking the NFL.

The game of baseball is much different than its fast paced rivals basketball and high intensity football.

Baseball's a slower game that lends to a strong social atmosphere at the ballpark. With this in mind, baseball is

able to tie into social media not only to engage the crowd, but to capture a new and younger demographic that can support the sport into the future.

MLB teams are connecting with fans and selling tickets through social media. Organizations have used a variety of social network methods to get fans further involved. The San Francisco Giants ran tweet-up ticket specials for low cost seats and t-shirts. The Giants also use twitter during games to engage fans with trivia question and photos. The Washington Nationals use Facebook to hype their prized rookie Stephen Strasburg, and the Cleveland Indians use the new website groupon to sell discounted tickets. The Astros have built a strong following by advertising their social media on Astros.com and stadium signage. "I think ...the [Facebook] ticket offers engender goodwill by reaching out to the fan base," explained Alyson Footer, senior director of social media for the Houston Astros (Heine).

MLBAM, the Internet arm of Major League Baseball, will unveil a phone app that allows users to gain access to in-game information like replays and stats. The app also allows users to communicate with other fans in the stadium (Carlson). This is a relevant and necessary move by the MLB to add increased interaction to a sport that is leaning on an older demographic. Embracing the information age will assist the MLB in gaining the following of a young fan base.

The MLB has made a considerable mistake by placing strict limits on MLB writers using Twitter. The writers cannot use the social media for anything not baseball related (Jones). MLB players are greatly restricted too. Baseball has been tagged as a conservative sport, but sport stars tweeting in other sports, like Chad Johnson and Shaquille O'Neal, are great examples of why it is not all bad to have some out-of-the-box social media. People love their honesty and magnetic charisma, which leads to loyal followers and fans. MLB tweeting is simply a dull list of facts. This is a big area of improvement as the messaging lacks engagement.

The MLB is creating another error by being slow to embrace YouTube. The MLB lacks an official YouTube site, unlike the NBA, which takes advantage of the free promotion and exposure that YouTube offers. Learning about players and catching exciting highlights can only help to increase fan support.

An aspect that is rapidly changing is the traditionalist atmosphere inside baseball stadiums. For example, increased advertising is appearing within the ballparks. This trend won't change anytime soon because it is an easy way to generate revenue. Even historic Wrigley Field is no longer immune with a new controversial "Toyota sign" in the left field bleachers. Ads appearing a few yards away from the Ernie Banks statue irk Wrigley purists. Another change that old school Cubs fans are becoming accustom to is players coming to bat with recorded music of their choice instead of the traditional organ music (Sullivan). It seems baseball is making moves to reach the young audience's need for constant engagement.

Another trend that is impacting sports is the influence of HDTV. Nielsen research recently reported that 46 percent of people can receive an HD signal and 53 percent have HDTVs. This is a positive aspect for baseball TV viewership, but could deter attendance. HDTV fans can catch game-like clarity in their homes without the psychic cost of battling traffic, gas prices, parking, lines for admittance and ticket costs. This is an issue that most professional teams are discussing as attendance has dipped. During the 2011 season, the NFL expects a 5 percent drop in ticket sales (McCarthy). The league blames fantasy football and the economy, but the speculation of the HDTV effect is also considered.

Recent unemployment rates could be the cause of the decrease in attendance. Sean Lux, a professor of entrepreneurship at the University of South Florida used statistical analysis to find the correlation between average home attendance for baseball's 30 teams and each area's unemployment rate. Lux found, "The correlation of winning percentage to average home attendance was the highest factor...But unemployment rate barely registers as a factor in attendance." This isn't hard proof, but it could fuel the notion that the

economy can't be solely blamed for attendance dips. The study suggests the amount of information and experience from the couch weighs on attendance.

"The at-home experience has become so good that we're competing with ourselves," said NFL spokesman Brian McCarthy (Sasso). Baseball could take note by providing a wealth of knowledge at the ballpark, like fantasy league stats, more in-game info and increased instant replay to compete with the couch. The sport must build a ball park atmosphere to offer an experience that TV can never capture. Creating a balance of engaging fans without losing baseball's longtime traditional values is the key. The challenge is to appeal to young fans and maintain the older generation's loyalty.

Dynamic ticket pricing implemented by the San Francisco Giants is likely the ticketing design of the future.

Dynamic ticketing allows teams to change ticket prices in real time to offer the best price to fans. According to businesswire.com, "Adjustments are based on key variables, from league standings, to opposing team, to real time sales." The Giants increased ticket sales by 20 percent from 2009 to 2010 (Fraser). The system lessens the chance of having unsold seats during unpopular games and maximizing the profit for popular games. It appears to be a smart model, but more data needs to be analyzed, as the Giants were in high demand last year as they marched to the World Series Championship.

## Part II: The Carolinas and how it fits the MLB System

Baseball is healthy and is striving for continued growth. The league has not gone longer than 16 years without expanding or relocating. When the time comes, the city of Charlotte has the greatest potential for success.

Charlotte, North Carolina is a sporting city with extraordinary financial health. The high demand for athletic events, combined with the overall affluence and rapid population growth makes the Queen City the future site for MLB prosperity.

A team's nickname should be relevant to the region to create an expressive identity. The MLB will be proud to have the Carolina Turbos. The nickname Turbos comes from Carolina's transportation innovation and need for speed. North Carolina was the first in flight. It is also an area of great car racing tradition. Today's car racing was ignited by prohibition bootleggers in the Appalachians using resourceful methods to soup up their vehicles to outpace the law. This custom was especially prominent in North Carolina. Decades later, the first NASCAR race took place in the Tar Heel State. 90 percent of the NASCAR race teams live in North Carolina and stock car racing has been proposed to be North Carolina's official sport (wnct.com). Racing is in Carolina's DNA, so why not embrace the love for speed. The nickname also makes sense for sponsorship compatibility purposes and promotions. There are several Fortune 1,000 companies in the Carolina area relating to the auto industry. The automotive market is a significant contributor to the MLB as a whole.

Speaking in terms of city limits, Charlotte is ranked the 18<sup>th</sup> largest population in the U.S. It has a bigger population than seven of the 11 cities that currently have an NBA, MLB and NFL franchise. MLB cities are typically judged by metropolitan population, which places the Charlotte-Gastonia-Rock Hill area as a respectful 33<sup>rd</sup> in the nation with nearly 1.7 million potential fans (charlottenv.gov). Nate Silver of Baseball Prospectus said, "Definitions of metropolitan boundaries are arbitrary to a certain extent too. In some cases, a metropolitan statistical area may be drawn too tightly from a baseball team's perception, excluding people in the exurbs who could reasonably attend a baseball game. Breaking things down to the county or city level would resolve this problem." As mentioned by Wakefield in Sports Marketing, psychic cost can weigh heavily on sports franchises. This is becoming more relevant with the increasing popularity of HDTV. City limit population is one component which should be considered since the metro areas have more psychic costs, such as longer travel time and more fuel consumption.

Charlotte is currently in a prime position for an MLB team; where the city is going financially and population-wise makes it more obvious. Charlotte is one of the nation's fastest growing cities. The city's population has exploded from 540,828 in 2000 to 731,424 in 2010, an increase of 35 percent. Of the top 50 metro

populations, Charlotte-Gastonia-Rock Hill, NC-SC ranks fifth in growth from 2000 to 2009. Another metro area in the top five for growth is Charlotte's neighbor, Raleigh, North Carolina (US Census). Charlotte's metro area is estimated to be at 2.4 million by 2020. On top of that, the metro area has 25 college and universities to draw from that would serve as prime targets for promotional nights (charlottechamber.com).

Charlotte is growing at a fast pace and so is the region. North Carolina registered the sixth biggest population increase in the nation from 2000 to 2010, South Carolina ranked tenth. North Carolina's overall population grew by nearly 1.5 million people over the last decade, reaching 9.5 million people. No other state east of Texas has grown as fast in the last decade.

With that noted, placing the Carolina tag on the team rather than Charlotte, allows the franchise to appeal to all of North and South Carolina. North Carolina possesses 9.5 million citizens ranking the 10<sup>th</sup> largest state in the U.S. and South Carolina adds 4.6 million people (Scheuble). With the Carolina label, the Turbos are appealing to over 14 million.

Rob Iracane wrote in an article titled *The Case for Expansion*, "Charlotte is in an ideal location for baseball as well. The South as a whole is underrepresented in the major leagues, which is what enables the Braves to control such a substantial TV audience. Charlotte is conveniently located at the center of several mid-size markets, including the Winston-Salem/Greensboro/Raleigh-Durham corridor along I-40, and Columbia, South Carolina." Dan Chapman of the Atlanta Journal-Constitution went on to confess, "Charlotte is also well-positioned, unlike Atlanta, to become one of the first stops on a high-speed rail line running to Washington."

The Carolinas have a terrific reputation for supporting their athletic organizations. In 2010 the Carolina Panthers recorded the sixth best attendance in the NFL, averaging 72,620 fans a game (espn.go.com). Charlotte Motor Speedway hosts the second most fans in the Sprint Cup Series (jayski.com). The University of North Carolina and South Carolina University are in the NCAA's top 30 for football attendance. Even NCAA

Division I FCS Appalachian State of Boone, North Carolina leads the FCS in football attendance (ncaa.org).

These remarkable statistics could be considered competition, but the data proves that Carolina has an intense craving for sports.

The Charlotte Bobcats attendance has been less than stellar, but Charlotte led the NBA in attendance four straight seasons from 1991-95 (Tomasson). The team's recent record has been dreadful and fans have not had the opportunity to watch a single NBA All-Star on the Bobcats squad. Despite the lackluster record, the last two years have shown great improvement under Michael Jordan's management.

No doubt an MLB franchise in the Carolinas has competition. So how will baseball compete with Carolina's passion for stock car racing? The answer: it is already surpassing the state's proposed official sport and it is doing so at the minor league level. North Carolina's 10 minor league baseball teams attract 2.3 million fans a year. That is more than double the amount of North Carolina's annual NASCAR attendance (insidersportsmarketing.com).

There are even more statistics that illustrate the love of baseball in the Carolinas. University of South Carolina ranked fourth in the entire NCAA in baseball attendance. East Carolina ranked 16<sup>th</sup> and University of North Carolina, Coastal Carolina University and North Carolina State all ranked in the top 50 for NCAA baseball attendance in 2010. Tiny East Carolina is outdrawing the nation's enrollment leaders like the University of Florida, Minnesota and Ohio State (Foley). This demonstrates Carolina's innate love for baseball, a passion that would only grow with the Turbos, a major league team that Carolinians can call their own.

The favorable weather in the Carolinas combined with the outdoor sports figures listed above is more rationale for America's past time to land in Charlotte. The importance of weather cannot be ignored.

Charlotte's average low through the baseball season is a comfortable 72 degrees, while the average high in July is a manageable 90 degrees (weather.com).

A major factor for MLB expansion into Charlotte is the city's outstanding financial health. According to the Charlotte Chamber of Commerce, the composite cost of living is lower than all but seven other metro U.S. cities. Combine this with the average household income at \$44,375 (15<sup>th</sup> among major cities in the U.S.) and Charlotte has a great deal of money to spend on an MLB franchise (charlottechamber.com).

Charlotte has an exceptional amount of Fortune 500 companies headquartered in the Queen City that will provide ample amount of sponsorship and corporate support. Eight Fortune 500 companies call Charlotte's Mecklenburg County home. Charlotte is tied for 8<sup>th</sup> place in number of Fortune 500 companies in the U.S., with more than Los Angeles, Philadelphia and Pittsburg. MLB teams need corporate backing and few cities can offer more than Charlotte.

Bank of America, the nation's largest bank and second largest in the world is headquartered in Charlotte. Bank of America currently holds the naming rights to the Carolina Panthers stadium. BOA will no doubt have great interest in America's past time.

Lowe's is another powerful Fortune 500 company located in Charlotte. The company recently declined to renew 11 years of naming rights to Charlotte Motor Speedway. "...Marketing strategies change, and it was time after 11 years to direct our marketing resources in other areas," said Robert J. Gfeller, Lowe's senior vice president of marketing and advertising (Sigala). As the economy is rebounding, the 42<sup>nd</sup> biggest company in the nation has great potential for financial support as baseball fans are a fantastic demographic target (money.cnn.com).

Duke Energy brings in revenue of 12.7 billion and serves 1.8 million electric retail customers in the Carolina area. Duke Energy is a company driven by community health, sustainability and welfare (money.cnn.com). These values are not far off from a well marketed baseball team.

Also located in Charlotte is Fortune 500 Nucor (money.cnn.com). Nucor is the largest producer of steel in North America and also claims the spot of North America's largest recycler. At first glance, a commodities company seems to have little to gain from a baseball team, but Nucor relies on investors and heavily markets their responsibility of sustainability. Nucor a proud Made-in-America company also promotes keeping jobs in America since they rely on domestic manufacturing (nucor.com). There are many angles to match this company with America's past time.

Charlotte is fortunate to have Family Dollar located in the Queen City as well (familydollar.com). Not only does their broad appeal fit with baseball fans, but at a minimum the company fits perfectly with discount promotions like Family Dollar Dog Night. Their extensive appeal allows them the potential to be a major contributor.

Goodrich Corporation in the Aerospace and Defense segment serves aircrafts in many disciplines like engine manufacturers, airlines defense forces, etc. Goodrich products are on almost every aircraft (Goodrich.com). The transportation name of Turbos lends to a corporate partnership connection.

Sonic Automotive is an outstanding match with Turbos as one of the nation's largest automotive retailers (money.cnn.com). It fits better with baseball than Carolina's NASCAR tracks because of the automotive sponsorship clutter blurred in the race world. The majority of their dealerships are luxury and import brands. NASCAR's demographics are not as conducive to luxury and import vehicles. Sonic is a home run for sponsorships, corporate suites and possibly naming rights.

Rounding out the list of Fortune 500s in Charlotte is SPX. SPX is an electronic technology company that has potential to be a corporate partner with a major technology service segment in transportation (money.cnn.com). The company has a wide range of services, so corporate suites would be ideal.

There are nearly 30 fortune 1,000 companies that are located in the Carolinas. There are numerous grocery store chains that will likely bid for sponsorship opportunities. Pantry Corp Inc. has more than 1,650 stores and is the leading convenience store operator in the southeast. Ruddick Inc. operates a regional chain of supermarkets in eight states, primarily in the southeastern and mid-Atlantic. Food Lion LLC is located in Salisbury, North Carolina and has 1,300 supermarkets (americanregistry.com).

Charlotte's local businesses have embraced sports within the region. The Queen City Bowl, as certified by the NCAA, is located in Charlotte and has found great support from local companies. Belk located in Charlotte is the nation's largest privately owned department store chain with more than 300 stores in 15 states. Belk recently took over the title sponsorship of the Queen City Bowl. Tim Belk, chairman and CEO of Belk, Inc. mentions the importance of commitment to community involvement relating to sports when referring to the Belk Bowl that hosted South Florida and Clemson in 2010. It is estimated that Belk spent \$1.5 million annually for the bowl contract that goes through 2013 (sports.espn.go.com).

Meineke Car Care Centers and Continental Tire, both headquartered in Charlotte have also been major contributors to the Queen City Bowl in the past. Not only do Meineke and Continental Tire fit the Turbos from an automotive standpoint, but both have experience promoting through sports (sports.espn.go.com).

Arbitron radio ranking places Charlotte at number 24 in market size, ahead of MLB, NBA and NFL owning Pittsburg and Cleveland (arbitron.com). Charlotte's TV market size continues to grow as it has moved into the 23<sup>rd</sup> spot with 1,166,180 TV households. This is one spot behind the four sport city of Pittsburg. The size of DMA could be a concern, but consider the rapid pace at which Charlotte is growing. Charlotte is only 7,000 households behind Pittsburg. Also taken into account are other Carolina cities at the top of the rankings.

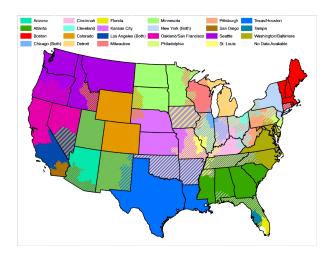
Growing cities like Raleigh-Durham (Fayetteville) at number 25 and Greenville-Spartanburg, SC-Asheville at 36 will no doubt have interest in the Turbos (nielsen.com).

Charlotte has been progressive with the rapid population growth. The city has ideal infrastructure in place to accommodate increases in population and an MLB franchise. The Charlotte Douglas International Airport continually makes the list of top airports in the nation. The award winning airport is the 2010's world's seventh-busiest airport in regards to takeoffs and landings. Douglas International traffic is growing at a rapid rate, like the city's population. It was the only large airport outside the Asia-Pacific and Middle East regions where traffic grew more than ten percent last year (Portillo).

Charlotte's new light rail system is a big move that could benefit baseball. The light-rail was introduced to Charlotte in 2007 and is a huge advantage to Charlotte because it would make traveling to games affordable and convenient. It runs 10 miles through downtown and has stimulated growth with condos and apartments, new restaurants and stores (Newsom). The light rail system has even made city rival Atlanta jealous. Sam Williams, president of the Metro Atlanta Chamber, added last week that "Charlotte's business and political leaders have addressed some critical issues like transportation much better than we have." In the long term, "it could absolutely position Charlotte at a competitive advantage over Atlanta" (Chapman).

This brings up another valuable asset that a lot of potential expansion cities cannot claim. Charlotte comes with a built in rivalry. Atlanta and Charlotte battle for the title of economic king of the south. Dan Chapman, writer for The Atlanta Journal-Constitution calls Charlotte "a feisty, undersized boxer, punches above its weight". Charlotte recently pulled the Democratic convention away from Atlanta. Charlotte snatched the new \$200 million NASCAR Museum from Atlanta in a heated bidding war. Charlotte gobbled up four of Atlanta's biggest banks. "We've had the opportunity to learn from Atlanta's mistakes," Charlotte Mayor Pat McCrory said in a recent interview. "We've seen how to grow and how not to grow. We've seen what works and what doesn't. We've had the advantage of growing up second" (Chapman).

One concern with location is that a Carolina team will fracture the new Washington Nationals following. As of right now, North Carolina viewers can watch neither Nationals nor the Baltimore Orioles games on television because Time Warner doesn't carry the two teams in the North Carolina. North Carolina cannot watch the Nationals or Orioles with the MLB.tv subscription because their games often blacked out.



MLB Blackout Map - Biz of Baseball, Brown March 2009

This means that the Nationals are having a tough time building fans from North and South Carolina. Even if they could view the Nat's and O's, the Carolina region doesn't identify with the Washington D.C. or Baltimore area. Charlotte is a charming, progressive southern city that has very little in common with the character of the two cities that are over six hours away from Charlotte. The Queen City is in the perfect place with Atlanta being within rivalry range, but far enough away (four hours travel) to not compete for fans.

In the past decade, the MLB has experienced growth in attendance and record revenues. With the NBA and NFL's current issues between players and owners, the MLB is in an outstanding position to grab headlines with a major move to enhance future revenues. Charlotte will be ready for Major League Baseball by the 2014 season. The Turbos management team will work diligently to create a successful business plan, consisting of promotional and financial support strategies, short and long term goals, and a team mission statement. This business plan will contain details regarding the financial, marketing, operational, and logistical attributes to adequately implement the team.

The Carolinas have a huge appetite for sports. Baseball is popular in the region; the university and minor league attendance in the area is solid proof. Charlotte and the rest of the Carolinas have immense fan potential as well as a wealth of corporate support. Major League Baseball will flourish with the Carolina Turbos.

# **MLB Expansion in the Carolinas**

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