

EPISODE 01

[INTRODUCTION]

[00:00:00] RG: What's up everyone? Welcome to Inside the Glass.

This is where we take a closer look at how ordinary people do extraordinary things.

We're back, Chris. Season two.

[00:00:28] CK: Here we are.

[00:00:28] RG: Inside the Glass. Season one was awesome. It was an experiment. I have some good memories of season one. My favorite memory was getting Adam Grant on the phone to interview him about culture. Here we are in season two. You allowed us to have the budget for this and make it happen. What makes you excited about doing this again?

[00:00:50] CK: Well, I think that this is – Podcast have obviously exploded, but I still think we're telling stories that I don't see in other podcasts. If you're fans of brands, but more important, fans of brand leaders and aspire to become a brand leader, I think this is just a fantastic look into the kind of behind-the-scenes of what it would take to get one of the most enviable jobs in America.

[00:01:11] RG: For those that are new to the podcast and season two is your first season, we really do – Chris touched on. We looked at how did that person get that CMO job or that CEO job or how did they start that company or brand that we all admire? These episodes that you're going to hear this year dive right into those stories and there are some tips and tricks. But moreover, we really focus on the philosophy and their story and we can learn from stories. I heard this quote the other day that, "Experience isn't the greatest teacher. Examined experiences," and this is the look inside those people's life and their experience to teach you how to get there.

Why don't you tell the audience who's our first guest this year?

[00:01:53] CK: Well, season two, we're going to kick off with a bang with Tim Harris. Tim Harris has a fairly unique job title and that he is both the CMO and the COO of the Los Angeles Lakers. Arguably, one of the greatest sporting franchise brands in the world. I think you can count on one hand, Manchester United, Dallas Cowboys, maybe the New York Yankees and the L.A. Lakers and so. We've gotten to know Tim through the Lakers being nominated and winning one of the Cult Brand Honoree Awards at The Gathering a few years ago. He has been incredibly generous to us. Brought us out to his big sponsorship event in Napa Valley [inaudible 00:02:35], which was fantastic and he'll be back at The Gathering in 2020 and it was great to get him Inside the Glass and talk about his life a bit.

[00:02:42] RG: Yeah. Listen, the people we have on this podcast, the men and women that are part of this, the one common theme, Chris, you'll agree with this, is they're salt of the earth people. If you hear anything, you learn anything, they're just good people. You are going to enjoy this episode. Let's do it.

[INTERVIEW]

[00:03:05] TH: So my name is Tim Harris. I'm the President of Business Operations for the Los Angeles Lakers. I'm also the Chief Operating Officer and they made me take CMO as well just to make my business card busier. You know, day to day, I run the day to day business ops for the Lakers. So I don't sign players, I don't pick players, so nothing about who goes on the floor has anything to do with me. So I'm going to kind of back into what I do. So I don't pick a player, I don't choose them, I don't decide who goes on the floor. I'm not a lawyer and I'm not the CFO, but I'm everything else.

[00:03:43] CK: Which sounds like a lot. And when you talk about COO and CMO, I want to dive into a little bit of those are different skillsets. So, how classically trained versus how school of hard knocks trained, as well as maybe even a little bit about your team and who do you surround yourself with. But before we dive into all of that, let's go way back. Where'd you grow up? Where'd you go to university, if you did? I know you were an athlete, maybe elaborate a little bit on that.

[00:04:10] TH: Okay. So I was born in Inglewood, which is in the shadow of The Forum and it was quite interesting. We lived a stone's throw from The Forum. We moved before I went into kindergarten – I was born in '61. We moved because we were maybe a mile and a half from Watts. When they had the Watts summer riots, we had national guard on our street and it was at that point in time my father said we need to look and go somewhere else.

We moved to Torrance, South Torrance and that's where I grew up until I went away to college, and I went to UCLA, and I was at UCLA on a soccer scholarship, I was a goalkeeper. I went primarily to play soccer and secondarily to do school. I wasn't as focused on school as I should have. Then after four years at UCLA, I was with the US National team program for a bit. Then the only thing – And this is key. The only thing propping up American soccer in the mid-'80s was the Major Indoor Soccer League, and it was a phenomenon because in many cities it was out drawing the NBA.

It was 15,000. Because you're playing in an arena, it was 15,000, 16,000 folks. I was drafted by the team that Dr. Buss owned. That's how I started. That's how I got to know the folks – Started getting to know some of the folks at The Forum and meeting Dr. Buss. But I was meeting him in a different way. I was a player. I played in the MISL for four or five years and then went back to UCLA to finish up and worked briefly in commercial real estate and realized it wasn't my thing.

[00:06:08] CK: What was your degree in?

[00:06:09] TH: It was sociology with a business focus. I had got the opportunity to come work at The Forum in 1990, and as I said in my presentation, it was to sell sponsorships for tennis and volleyball events, which I didn't really know anything about, but I knew how to work hard. At that time, this is 1990, I wasn't working the email. So I was working the phone. I was doing a lot of phone calling and learning the business as I went along, which was how he liked it because he wanted young employees to learn the industry on the things that didn't matter financially as much because there was less risk. So he let us cut our teeth on these sort of ancillary events, and that's concerts, boxing, skating, gymnastics, Lucha Libre, pay per view boxing, concerts, every event you can imagine. I learned how to change a building over and how to turn it over from basketball to hockey, and hockey to basketball, and concerts to this.

[00:07:11] CK: Talk a little bit about what being a professional athlete has meant for your career. Certainly starting out, I don't know if you still draw upon principles of that. We sometimes think a lot about veterans and what the military does to help people really thrive in the business world. But last year, Gatorade was here and they talked about a big part of their turnaround was not just getting NBAs but getting NBAs who had played competitive sport, and that helped both obviously with their brand, their Gatorade, but also there's just a certain work ethic that they envy. And do you attribute some of your success to having been a professional athlete?

[00:07:49] TH: Completely. I think, and not just professional, but just an athlete. I like it when we see folks who have had a sports background and primarily because I think, to your question, I think athletes know how to goal set. Athletes know how to manage their time. That's sort of a day-to-day thing, but more than anything, athletes know how to fail, because anybody can succeed. But athletes know how to fail and then succeed. I find that supremely important in what we do because we're going to fail. Things are going to happen that we didn't plan on, but it's what you do next.

I like seeing athletes. I love seeing athletes who can tell a story of adversity because whether they – When you're talking to them, they came through college and maybe they had an injury that they had to rehab and come back from in order to get back on the playing field. I love seeing that kind of thing because it just shows the ability to overcome adversity and then goal set yet again.

[00:08:52] CK: You have two things that are fairly unique, I think, certainly in today's day and age. You've seen to have been in Southern California your whole life. I want to know a little bit, how intentional or is that just where the opportunities was, or did you make a conscious decision to plant yourself there? Then you've obviously been with the same organization for 20 plus years. I get it now, why would you leave? But there would have been times you didn't have the greatest job in the world there. How much of that is just you're a loyal guy, you're a committed guy, or was there something else at play that kind of kept you where you were?

[00:09:23] TH: No. I left Southern California for a year when I was playing soccer because I got traded to the team in Minnesota. I spent a year away. Then when I came back, I was in

Southern California. The opportunity or the decision to stay in Southern California hasn't been I need to be in Southern California by any means. It was more opportunity-based.

Early on when I first started at The Forum, I was just learning and I was trying to harvest an instinct at that point in time as to what I should do with my life. I was learning this industry not knowing if this was going to be my ultimate calling. There was one particular time when I was – This was when they were just starting the MLS, Major League Soccer, and I was approached to run what would be the new team, The Galaxy in Los Angeles.

I'm a soccer guy and here's a chance to run something and it was a startup, and I agreed. I accepted to take the job and I went. Jeanie Buss, who's now the owner, she has been my boss from the first day, and I told her, "I've got this opportunity, I'm going to take it," and she congratulated me, "I understand that you're a soccer guy."

Then the story gets interesting because then a couple of days later I had to go with the owner of The Galaxy and look at office space for our new offices. I did that. Then I was meeting back up with him in the afternoon at the old offices of the World Cup '94, old offices, and we were meeting with Nike to go over what would be the uniform design. I drive back to The Forum and I get a note to go see Dr. Buss. Jeannie and Dr. Buss are sitting in there, and Dr. Buss says, "I understand you have the opportunity to leave," I said, "I do." And he says, "That's exciting and congratulations, but we'd like you to stay." He gave me an opportunity I couldn't refuse and I accepted. But now I'm going to go inform the guy –

[00:11:18] CK: That afternoon.

[00:11:19] TH: That afternoon. So I go back up to Century City and I'm walking in and – Well, these are all soccer people. I know all these people. Okay? They're all congratulating me on this job and I'm like, looking and saying like, "I need to find the owner. Where is he?" And they're all congratulating me and I'm just like giving it the like, "Cut. Cut. Cut."

[00:11:36] CK: Awkward.

[00:11:37] TH: So I find him and I say, "Look, I'm really sorry to do this. I wouldn't have accepted this hadn't happened, but I just came from The Forum and I have an opportunity and I'm going to stay." He was disappointed, not upset, but disappointed and understanding. He says, "But look, I need your favor," he says, "I don't know anything about soccer uniforms. Someone has to sit with Nike. Would you do that?" So I said, "Sure, I'll see with Nike." So I'm sitting in the room and here comes all the Nike soccer people who I know them all. They're all congratulating me on this new job that I've accepted and then rejected, and I had to sit and go over uniforms with them but it was the one time when I really had a foot out the door.

Following that – So that's '94, '95-ish. Then when I slid over to the Lakers, then I just kept getting opportunities and things would come along. People would kick my tires, but nothing that – I mean, you're leaving the Lakers. In my mind, what am I going to leave the Lakers to do? I've always said that.

[00:12:36] CK: It's a short list.

[00:12:37] TH: Yeah. I mean, I'm not – At this point in time in my life, I'm not going to go and work for an NHL team. I'm not going to go and work for another NBA team. Baseball is too many games. I suppose I could – NFL is intriguing, but I don't know where else I would go.

[00:12:53] CK: Yeah, European soccer.

[00:12:54] TH: That'd be the only one, yeah. Man United.

[BREAK]

[00:13:00] CK: Hey, Ryan. Let's stop Tim here for a second in this interview and just sort of react and digest to what we're listening to. I think one of the things that I'm so impressed with was his loyalty. It's doesn't mean you're not tempted or sometimes are flirting with other opportunities, but he digested the fact that he's already working for one of the greatest sport franchise teams and he fought back that the idea that the grass is going to be greener someplace else.

I think we both have seen a lot of executives jump ship too early. Maybe somebody tempted them with a little bit more money or better title and they look back with some regrets saying, “That company that I was at went on to do something remarkable and I could have been a bigger player, a bigger contributor to that story,” and they just got impatient.

[00:13:47] RG: Yeah, we talk about – You said it’s one of the greatest thing I’ve ever said to you, and I haven’t said a lot of great things to you. Maybe 8 years ago, and I heard from actually my uncle, but no roots, no fruit. That reminds of that. He stayed when he had the option to go elsewhere, but that would mean those roots would be rooted up and you have to plant new ones. He was entrenched in the organization and he knew it. Although maybe more money, maybe a fancier position. I don’t know if you can get fancier than that. But he chose to stay and those roots now are bearing major fruit. It’s incredible.

What I like to say to the listeners. I’m sure people are going through this right now as they’re listening to this, that it’s just chill out. Your career is never a straight line. Chris, yours hasn’t been. Mine hasn’t been, and if the top dog at the Lakers had a windy road and had to make some choices and forks in his road, that’s okay. Go through it. Talk to friends. But I think always stick with your heart. You know what you’re supposed to do and don’t jump for 20 grand, 10 grand, 50 grand. Be happy and do something that matters.

[00:14:52] CK: Yeah. I like chill out. Have some patients. Think in decades. We’re going to be working for 50, 60 years given our life expectancies now.

[00:14:59] RG: It doesn’t mean don’t leave. It might still mean leave, but make sure you’re leaving to something that you can stick with for a while.

[00:15:05] CK: Yeah, and for the right reasons.

[00:15:05] RG: Yeah.

[00:15:06] CK: All right. Listen, we got to jump to a sponsor. We’re thrilled this year, The Gathering. According to Forbes, the number one business and marketing conference in the world as our sponsor, and here’s some words from them.

[SPONSOR MESSAGE]

[00:15:20] CK: Today's smartest brands aren't spending huge budgets on mass media and markdowns. No. They're doing innovative, disruptive things to engage customers' prospects and staff in a way so that they don't just buy. They buy-in. The question is how? Well, there's one sure way to find out. Every February, iconic brands like Coca-Cola, Spotify, ESPN and Under Armor come and share their secrets high in the Canadian Rockies while a thousand brand leaders are locked in a 200-year-old castle. It's an intimate summit called The Gathering.

To learn more and to purchase your ticket so you can join us in February of 2021, visit cultgathering.com.

[INTERVIEW CONTINUED]

[00:16:09] RG: Welcome back to Inside the Glass where we're telling the remarkable story of Tim Harris of the Los Angeles Lakers.

[00:16:16] CK: Well, let's dive into a little bit. I want to get into the skillsets. How much was luck? How much was intentional or goal planning. So you've navigated your way up and it seems like every couple of years you're given a whole whack more responsibility. I don't imagine it was perfectly correlated with just as the Lakers got bigger. I mean, the Lakers were already pretty large team when you got there. For the listeners' sake, tell us a little bit about that journey and then maybe some of the principles that another aspiring marketing manager or brand person would say, "Oh, I should do that, too."

[00:16:50] TH: So it's interesting with the Lakers, and I talked about this yesterday, we're a corner store, we're a small company. We've grown in the last five years, exponentially in the last two years, even more so. When I say grow, I don't mean revenues and things like that, I'm saying our staff on the business side. Yet our business staff remains by far the smallest in the league. We're 30th in business staff and 29th. It has 20% more than we do.

We run a very lean group, and what that requires is folks to wear different hats from time to time. My earlier life at The Forum gave me skillsets that allow me to be sort of I know a little about a lot, and in a lot of areas I knew a lot about a lot. It sort of makes me versatile and able to problem solve because I could bring an experience from, A, having been with this organization and with this brand, but understanding the whole wealth of everything that goes around it, and that has served me well. Especially now, I always seek out and I always hope that I'm not the smartest one in the room, and we now have so many talented young people who are much smarter than me, but I always end up being the most experienced one in the room. I think that's what allows us to be successful, is all of these great ideas coming from these smart, smart people and then you combine it with, "I just have world experience in this industry with this team, with this organization, in this city."

[00:18:43] RG: Do you view that as really your super power? Like do you go to a lot of conferences? Are you always reading the industry mags about the next big thing or are you – You're the continuity of, "I know the Lakers and I know this industry," and you surround yourself with people that have that subject matter expertise.

[00:18:59] TH: I guess you could almost say, in a weird way, I'm a Lakers idiot savant. You know that I mean, I know the Lakers and I want – I think a lot of what I could do could translate, but my job is – Because, with Dr. Buss, it was this way. With Jeannie, it was this way. I have a very, very hands-off owner, complete freedom. So my job is really from 30,000 feet to keep things going in the right direction and certainly we're all out looking at ways that we can get better and different technology and different applications and how can we improve the experience, and how can we improve for the fans. But ultimately, the analogy I use is horrible and it's going to date me, but I'm sort of like Captain Kirk, right? This is a horrible analogy, but I always say like Captain Kirk doesn't know about the engine room as well as Scotty, but he's going to get the information from Scotty and make a decision on what to do. That's sort of –

[00:20:02] CK: More power. Usually it's more power.

[00:20:04] TH: Right.

[00:20:04] CK: That's the way I understand it. It's interesting you talk about – The Lakers have to be the number one team, revenue-wise, in the NBA, but you have a 30th smallest staff, which I'm imagining equates just to overhead.

[00:20:20] TH: Yes.

[00:20:20] CK: Which is amazing dichotomy. We just came from a session with Cheetos, almost a \$2 billion snack brand. She has three people on her marketing team. I would have guessed 120 people.

[00:20:30] TH: Right, right.

[00:20:32] CK: Is there something in your mind, is that – Because you're an incredibly frugal or the owner is very frugal or do you find that finding talented people, giving them that level of entrepreneurship and wearing that many hats is part of the secret sauce?

[00:20:45] TH: No. I think part of the reason we're so lean is we've made – If you look at the size of our staff, how we compare to other teams, we're close. Where we're very, very far behind is in ticket sales and we made the conscious decision many, many years ago that we would be in the renewal business. We wouldn't be in the ticket selling business. We'd be in the ticket renewing business. Whereas all the other teams have large ticketing staffs that are out trying to sell to someone new, we have a small ticketing group that is trying to renew the existing customers. And so we are consciously in the renewal business. Because of that, that's why we're so lean.

[00:21:34] CK: You shared a stat in your – It's like something crazy about you had X percentage of people have been ticket holders since like 1980 or something like this?

[00:21:42] TH: Yeah, 25%. 25%.

[00:21:44] CK: 25% are going into 40 years of renewal.

[00:21:48] TH: Yeah, 25%.

[00:21:49] CK: Are those corporations or are those just families that are handing them down, father to son?

[00:21:53] TH: Individuals, mostly individuals. What's fascinating is we can date – Whenever we put up on a video board, "Congratulations! Chris Kneeland on 30 years of being a season ticket holder." We get calls and they'll say, "You have my date wrong. You have my date wrong." We get calls from the folks, because when we bought the team from Jack Kent Cooke, they gave us all the paperwork. The paperwork that they had where the season ticket invoices, which sort of look like the bill you'd get at a diner, right? They go back to September 1st, 1971, and that's all we have.

We acknowledge that there are folks who've been with us since before September 1st, 1971, but that's all we have. But this is why they just don't want to ever leave. Think about owning season tickets for something since September 1st, 1971. I mean, it boggles my mind.

[00:22:53] CK: Yeah, I really can't think of that kind of commitment to many things in my life.

[00:22:58] TH: No.

[00:22:58] CK: You've outlasted marriages, children, jobs, cars.

[00:23:02] TH: Yes. Well, and even better, you've got to 25% is dates 1980. The entire lower ball is 20 years or more, average.

[00:23:16] CK: So when you're not motivated, it's not necessary to go to work every day to put butts in seats. How much of what you're trying to do is to create incremental revenue streams, merch and stuff like that, versus just delivering the ultimate fan experience so that they do renew?

[00:23:33] TH: That's the challenge, is you can't – It's impossible. We're pretty expensive. Okay? But we can't ride them forever. I mean, there's going to get a point where there's going to be a tipping point where they say, "I just can't. You can't keep increasing the prices."

So we have to be creative and find other revenue sources so we don't just ride continually on the backs of the season ticket holders with ticket increases because this is not fair. What has helped us immensely, immensely was the regional sports network deal we did with Time Warner five years ago. That took a lot of pressure off of us, off of the revenue that we need to receive from ticketing because we get such a healthy check from Time Warner.

[00:24:19] CK: How much do you pay attention to the non-LA fan? I mean the Lakers fan that doesn't live in Los Angeles. In the gathering here, we've talked with the Roughriders and the activations they do in Scotland or with the troops in Afghanistan and stuff like that, and really fostering a fan base that's global now. I know there's some limitations about what the NBA does and doesn't let you do, but is that on your radar as the next bid? There's another million dollars of jersey sales to be had in Barcelona?

[00:24:52] TH: Well, the way the NBA is set up is it's a franchise system and they own the marks, we don't. They license them back to us for us to do certain activities in our area of dominant influence, which is defined as if you draw a 75 mile circle around Staples Center, that's what you get, which means part of our area is in the ocean.

[00:25:14] CK: And the Clippers share half of it.

[00:25:16] TH: And the Clippers share the half of it as well. So we have to be mindful. Right now we can't fly over to Barcelona and start throwing up our logo everywhere and open up a shop on our own. We're prohibited from doing it. You have to be mindful of where you're going to find those revenue sources.

A Lakers t-shirt sold in Barcelona, the Pacers will make the same amount of money as the Lakers will off the sale of that t-shirt. There's sort of indirect revenue, which is that. Then there's direct revenue, which is the things we control. Right now, it's basically that 75-mile territory with the exception, the league is now opening up the digital channels and now allowing teams to monetize their digital platforms a little bit more.

Everything in the early going was about gating. If you're going to partner up with somebody, you got to gate them to your 75 miles and it's difficulty gate somebody that's – It was one thing to gate them. Then when you're talking about a website, some of these digital platforms, how do you gate somebody on Twitter? I mean, so the league understands that teams can probably monetize that better than the league. So they're now opening it up, and that's going to be the next area where we hope to exploit for direct revenue back to us.

[00:26:32] CK: You've talked about this idea of wearing multiple hats now. Give us just maybe the two or three-minute timeline of starting to ticket sales for tennis and soccer, I guess?

[00:26:43] TH: Tennis and volleyball.

[00:26:43] CK: Volleyball.

[00:26:43] TH: Yeah.

[00:26:45] CK: And today. Maybe I'll put it on one and a half speed fast-forward –

[00:26:49] TH: What happened was Phil Anschutz bought the Los Angeles Kings from Dr. Buss, and then Phil Anschutz came to Dr. Buss and said, "I'd like to build a building downtown and I'd like the Lakers to come." That was negotiated, but part of the negotiation was Dr. Buss said, "Look, if the Lakers leave The Forum, I don't need to own The Forum anymore." So Phil Anschutz agreed to buy The Forum from Dr. Buss.

That's when we no longer needed to work the building. So they slid me over to the Laker's side and said, "Somebody needs to oversee moving the team downtown. Tim seems to have a wealth of knowledge because of his understanding of arenas and whatnot." So we would move the organization downtown. Then from there, one thing, I just kept growing within the organization and taking on more. I've always had this sort of following Jeanie thing, because as Dr. Buss gave Jeanie more authority and power, then there was a vacuum that they kept filling – That I kept filling as we both rose. Now as Jeanie is the majority owner and the governor for the team, once Dr. Buss passed, then they made me president of the team.

[00:27:56] CK: And are you more of a fake it till you make it guy or more of a, “I’m going to do all this homework and makes sure that I’m the smartest guy in the room when I got a new job?”

[00:28:06] TH: I have a feel. Again, I’m sort of an idiot savant for this. I have a good feel. I have a decent feel for people. I love to lean on people for their advice and their insight and then make decisions. Again, my goal is not to be the smartest one in the room, my goal is to put the smartest people in the room and then we make a collective decision on it and how we’re doing it. But we’re mindful of – I talked about this in the inner sanctum today. We don’t take risks when it comes to our customers. We don’t strive to be the first with a new ticketing platform so that we can raise our hand and say, “We’re first with a ticketing platform,” and then the guinea pigs have to be our customers. We wait until it’s tried and true before we throw it out to our customers.

[00:28:52] CK: Is there, looking back at your career, a particular thing of pride that you say, “That was really great work. That’s something that I’m going to – That’s a bit of a legacy that I’m going to leave with this organization.”

[00:29:04] TH: Well moving the team to Staples Center was a triumph because it was difficult and hard and the Lakers had been at The Forum for 40 years. But I think, to answer your question, it would be the Time Warner deal. It was life-changing for the organization. It gave the organization security for 25 years. It was a negotiation that was tough and complicated and hard, and yet we had to – There was a people aspect to it, and because we’re trying to – You’re negotiating with someone that you want to marry, you know? That’s difficult, right? You’re not always going to agree. The analogy I use with the Time Warner deal was here were two people who were trying to get married. They had decided that they wanted to get married and now they had to discuss the details of the wedding. Any –

[00:29:56] CK: She wants to throw out your college clothing and you can’t keep your posters on the all anymore.

[00:30:00] TH: Right. Just because you get in an argument over the wedding doesn’t mean you don’t get married. We literally, once we got to the point where we knew we wanted to get married, we all got in a room for a week, and it was 9:00 AM until 2:00 AM with the lawyers and

pounding out every finite detail of the deal, because you're talking about a 25 year RSN deal and here at Time Warner is starting a brand new RSN with the Lakers as their anchor.

[00:30:30] CK: Did you have some mentors? I mean, I would imagine negotiating broadcast TV rights is very different than flipping over spaces in arenas, which you kind of cut your teeth at. Did you just figure it out or did you have people that gave you a lot of advice along the way?

[00:30:46] TH: We had a consultant, Ed Deser, who had come from the NBA and he was really helpful because he'd seen a lot of these deals. We had some negotiating windows with our existing partners that we needed to fulfill. Prior to those windows, I spent a year and a half learning about what the RSN industry was going to be, what it could be, but more importantly, learning about our value. I needed to understand what we were truly worth so that I could be an informed participant in any negotiations, whether our existing partner or someone new.

Ultimately, we arrived at a place where the economics made sense to start our own RSN and I knew that part of that was maybe a stocking horse, but anybody we were talking to had to understand we were serious about it. So we took all the steps to literally start an RSN and all the way down to Dr. Buss signing off on agreeing to start in RSN, and that allowed me to go into the room and say, "Well, I guess we'll just start our own," knowing that we literally could start our own and I wasn't just bluffing. But through that process I learned – I went to the university of RSN and I learned a ton about how these RSNs work. How to get them started. What you're going to need? It was fascinating.

[00:32:17] CK: What would you – You're looking in your crystal ball. I know you tease this idea of digital both being potentially lucrative, but also it's wildly complicated, but is there – What's the next five years? The RSN thing was five years ago, right? With time Warner. Do you think what's the next big frontier that you're going to have to master?

[00:32:36] TH: Well, we've got the rest of this season plus six on our lease at Staple Center, and that is going to be – So, there's a number of ways you could do this. You could extend for a few years and kind of kick the can down the road, or you could do a long-term extension of 15 years. In six years? I mean, I'm 57. In six years, I'm 63, okay? We do a 15-year deal after that. I'm not doing the next one. Somebody else is.

So that is from sort of setting us up for the future. If you look at it this way, Chris, is we're constantly just trying to set ourselves up so we have revenue consistency. So we've got a 20 odd year deal with Time Warner, so we're fine there. Our radio deals are solid. We're fine there. The ticketing continues to churn, so we're fine there. We have to set up where we're going to live beyond the six years. Once that – Then I don't know after that. I don't know what the next great frontier is, because if I'm 57, I'm not doing this terribly longer, and then it's going to be up to somebody else.

[00:33:47] CK: Do you feel that the NBA shoulders the majority of burden to keep basketball relevant? Or do you at the Lakers try to – Obviously, you do some things with your players, but do you lose sleep at night worrying about viewership, that people just don't want to watch as many games?

[00:34:05] TH: This is a concern with both the NBA and all of the member teams, is what is the future of attendance and is that going to be an impact and are we going to – Is the model someday 10 years down the road going to change where attendance is not that big of a deal because we've found a different platform to show the games because they just don't want to come. I don't know, but it's the potential. The NBA is, in my opinion, in America, it's the best run league. It's got great leadership at the top. I mean, Adams, unbelievable as a commissioner. The teams are – Dr. Buss always told us that we're going to be a team that is supportive of the league and he always felt that you're only as strong as your worst team, but the worst team in the NBA is really strong.

[00:35:00] CK: Who is the worst team in the NBA?

[00:35:03] TH: I'm not saying.

[00:35:06] CK: I guess you could say by what metric you're using. There's probably a short list we could come up with off air.

[00:35:09] TH: Yes.

[00:35:10] CK: All right. You're wearing these two hats; COO, CMO. That's unusual. Do you have a preference?

[00:35:19] TH: I think I'm probably better at COO. I'm not the most creative person. Again, I love analogies, I like to wear suits but I can't design one, but I know what I like when I see one. So I look for folks who bring me creative ideas and then we can choose, but no way could I sit down and design my own suit because I don't think that way. So when it comes to creativity, I lean on folks who really are creative and then I help them, because what I want is I want our creative people to be unencumbered by any guardrails, bring me everything. Then I help us stay away from the margins where we might get in trouble.

[00:36:04] CK: I love that, that's good leadership. Marvel spoke yesterday about their org chart and in most organizations they create hierarchy of – No? Different people that have different ways of killing the bad ideas and they really turned that on its head and they're actually – You're more dis-incented for not bringing big crazy ideas.

[00:36:24] TH: Yeah. Right.

[00:36:25] CK: I think we need more of that and people that –

[00:36:27] TH: I agree with you 100%

[00:36:29] CK: If they start filtering everything before it ever gets to your desk, there's going to be a great idea that's on the editing room floor back there.

[00:36:35] TH: Well, what we try to do is – Especially with big – Like the example I use is with big partners like Time Warner. We've tasked them with providing all of this experiential content around our players and storytelling. So what I tell our folks is when Time Warner asks to do something, the answer is yes. Then tell me the problems. Don't say the answer is no because of these problems. Tell me the answer is yes and then tell me what's going to be the problems along the way.

[00:37:08] CK: Yeah, that's great. We're getting the queue here, so last question.

[00:37:11] TH: Yes sir.

[00:37:12] CK: I bring somebody else into this podcast booth that knows you and we're talking about you behind your back. What would you hope that they would say? How do you hope people think that working with Tim is? What's it like?

[00:37:25] TH: I think they would say that I'm fair. I think they would say that I'm caring. I think they would say that I see the big picture and that I don't get lost in the weeds of the stuff that doesn't matter. And I have kind of the long view. I tell our folks a lot of times like, "Look, if you know that your no is going to become a yes, than just say yes because then you look like the good guy. Or if you know your yes is going to become a no, then just say no." Because what I have learned – And when I was younger, I wanted to argue and debate and fight about everything and I've learned now it's not worth it in the long run. I think the people who would come in would say, "Look, he's fair. He's hard. He'll negotiate hard. He'll stick by his brand. But at the end of the day he's fair and he doesn't want to have a winner take all."

When I was doing the Time Warner thing, I told the executives from Time Warner that – Because I believe this, that any really true fair deals should leave both parties just a little pissed off, and I believe that.

[END OF INTERVIEW]

[00:38:35] RG: Hello Allison. How are you doing today?

[00:38:37] AH: Hi guys. I'm doing well.

[00:38:39] RG: Ladies and gentlemen, we have Allison Howard on the podcast today. Allison, for those that don't know, tell them who you work for and what you do.

[00:38:48] AH: I work for the Los Angeles Lakers. I'm the vice president of corporate partners. My day-to-day job is to maximize revenue.

[00:39:01] RG: How long have you been with the Lakers?

[00:39:04] AH: This is my 9th season.

[00:39:06] RG: It's amazing. Today we're talking about the wonderful, Tim Harris, on this podcast. You've worked with him I guess 9 years. On the podcast we're talking about leadership and styles and effectiveness, and clearly Tim is a respected leader. Maybe you could give us some insight. Tell us some stories today about why you think he's a good leader and what he's done to bring the best out in you.

[00:39:33] AH: Yeah, absolutely. I think Tim probably unlike many people that I have worked for in the most positive way.

[00:39:43] RG: Awesome.

[00:39:43] AH: He has an enormous job. This is a cult brand, as you guys would agree.

[00:39:51] RG: Yes.

[00:39:52] AH: And we are in a huge city and a lot of people that are constantly needing things from him. I think what Tim does really well is he leans on all of the different department heads to really own and become an expert in whatever they are operating for the Lakers. So he gives us that freedom and he trusts us and he supports us.

I feel like I have the freedom to lead and grow the department, and then if I ever have questions or if I'm wavering on something or I'm not sure what to do, then he has a very open door policy. Tim has been with the Lakers for a very long time and he has a thousand percent trust of ownership.

When he makes decisions, he is making decisions on what is best for the entire brand overall. That is how I am guided to make decisions. We're all kind of thought and expected to think about the entire brand, not just our individual departments and what might be good for us. Tim

and I work very closely together. I trust him very much and I do go to him quite often and say, "I've seen this from two different sides. What's your take?"

To be honest, what he usually says is, "What does your gut tell you?" I'll tell him what my gut says and he says, "Then you go with that." That's come up during two really tough situations that I've had just within this past season, and I've gone with it and he's supported it.

[00:41:41] RG: I feel like that kind of trust every time it's giving compounds and just grows exponentially. I've only known Tim for 18 months now, but I see that in him. He also is known for doing things and saying yes to things before he's ready or outside his comfort zone. How has he helped you stretched to say yes to things outside yours?

[00:42:03] AH: We're a unique brand where we don't do anything for money. At the same time, the task to bring the right partner where they fit in with the rest of our 35 other corporate partners and our season ticket members are going to welcome them with open arms and our 150 million fans around the globe are also going to welcome them with open arms. That is a bit of a daunting task, right?

[00:42:31] RG: Yeah. I guess.

[00:42:31] AH: In these two scenarios that I had, I told Tim, "I don't like this deal," and we were almost to the contract phrase and I said, "I just don't think this is a good deal for us. This is going to be really hard to turn down millions and millions of dollars, but I think we're going to regret it after we signed the deal if it stands out this." He said, "Then the money is not worth it. Go with your gut. Walk away."

[00:42:56] RG: Yeah.

[00:42:58] AH: That was very reassuring to me that, A, obviously he has the trust in me, and B, that the brand stands for exactly what it should stand for, and that is doing the right thing and finding the right partner.

[00:43:14] RG: People wonder why the Lakers brand is what it is and it's definitely in the backrooms that great brands are built. Not on the stage. It's that kind of resolve to say. Yeah, I'm sure walking away from millions of dollars, but it doesn't feel right or it's going to be – I can sense it because I've been in partnership deals where, yeah, we might get the deal, but it's going to be a gong show trying to please these people, where the greatest deals are – They're both – It's a win and everyone's excited to be part of it. It's amazing to hear he supports you on that.

[00:43:48] AH: Yeah. He also almost like – I'm in these two tough situations and I'll come to him and I'm like, "Gosh! What do I do?" Just kind of looking for an answer. He has what I like to call these teachable moments where he will either tell a story about his family. So he's "Just a dad" or "Just a husband" or maybe he pulls a story from 20+ years ago being at The Forum. But he answers your question or he gives you – You understand what the message is if you really listen to it. He doesn't just right out say, "No, you shouldn't do it," or "Yes, do this," or "Have you thought about this?" He kind of lets you think on it, and so you yourself are growing in that next opportunity.

[00:44:37] RG: In that type of listening type leadership, it's a very Yoda-like, and then giving advice in story. It's got to be refreshing. One last one, if you could sum up Tim in one word minimum, three word max, what would it be?

[00:44:55] AH: Committed. Committed is the – If I had to do one word, he is absolutely committed. He's committed to the family. He's committed to the brand. He's committed to his family. He is committed. That's the best word.

[00:45:09] RG: There you have it folks. Leadership takes commitment, and Tim embodies that.

Thanks so much, Allison. I will see you soon either in LA or in Banff at The Gathering, and thanks for taking some time with us.

[00:45:23] AH: Thank you guys.

[OUTRO]

[00:45:31] RG: All right. This whole thing was gold, Chris, and I know for me and for the content we put out, I really want it to resonate with me first. I just learned so much from this and from Tim. I'm going to re-listen to the whole thing again over and over again. But let's talk out to you, Chris. What was really the takeaways that you would like to wrap and share with the audience here?

[00:45:55] CK: Three things. One, the fact that Tim Harris has so successfully navigated a complex organization for both the betterment of the brand, but also his personal career. I think that we can mimic some of his attributes. Secondly, I still am just thinking about the Lakers having the 30th smallest staff and resources in the NBA, and how do you become a global powerhouse with such a lean team?

[00:46:23] RG: I went to LA and toured to his headquarters, and it was beautiful, first of all, by the way. They partner with UCLA Health. Literally, it's like, "Where is everyone?" "This is everyone." I was like, "What?" I just echo that. If you're listening to this, size did not equal success. It's the opposite, and they live that in this space. What else?

[00:46:43] CK: The last one was I'm still thinking about the fact that they've had 25% of their season ticket holders for 40 years. I mean, that is remarkable. No wonder they were honored as one of the most cult-like brands on the planet I think more and more marketers should be thinking about how do you get existing customers to come back, buy more product more often at higher margin as supposed to this overly obsessive culture we have in marketing, and more important, advertising on new customer acquisition. Kudos to Tim and his team for creating something that people want to be a part of for decades.

[00:47:18] RG: Yeah, brands that you buy into, don't just buy from. They clearly want to put a great product on the floor, but as a great brand marketer and building not just a basketball team but a brand and people tattoo on shoulder or arm. But wherever you do that, it's amazing machine they've built and it's admirable and I'm glad we get to dive in and learn a lot about him. Listen to this one my friends two or three times, because there're so many nuggets in there.

[00:47:50] ANNOUNCER: You've been Inside the Glass with Ryan Gill and Chris Kneeland, a podcast spawned by the remarkable stories and relationship forged at The Gathering in Banff, Canada, a marketing summit bringing together the brightest minds and the best brands from around the world.

Special thanks to Tim Harris for letting us tell his remarkable story. Thanks also to our contributors. Thanks to our sponsor, The Gathering, for making this podcast possible.

Inside the Glass was recorded 2019 at The Gathering in Banff, Alberta, Canada by Darryl Swart. Mixing, editing and additional recording done at WeEditPodcasts in Calgary, Alberta, Canada. This podcast was produced by Ryan Gill, Chris Kneeland, Adam Gill and Jason Graham.

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