

February 24, 2016

Roger Goodell, Commissioner National Football League 345 Park Avenue New York, NY, 10154

Dear Commissioner Goodell,

Campaign for a Commercial-Free Childhood (CCFC), in conjunction with the National Council on Problem Gambling (NCPG), is writing to request that the National Football League (NFL) stop marketing fantasy football to children. There is evidence that playing fantasy sports, particularly with the incentive of valuable prizes as offered on the NFL Rush Fantasy website and app, can lead to problem gambling and addiction. It is unconscionable that the NFL encourages children as young as six years old to develop the habit of engaging in this adult activity.

## 1. Fantasy football carries dangers, and is not appropriate for youth

Participation in fantasy sports can lead to gambling-related problems and addiction. A 2014 study of college students found that fantasy sports participation was correlated with gambling-related problems, and should not be perceived as a "safe" or "harmless" form of gambling.<sup>1</sup> The study found that males who played fantasy sports for money, and females who played fantasy sports for money or not, were more likely to experience gambling-related problems.<sup>2</sup>

On October 8, 2015, the NCPG issued a Resolution of the NCPG Board of Directors Regarding Fantasy Sports, wherein they urged Daily Fantasy Sports (DFS) sites to adopt various consumer protections, including effective age verification to bar players under an appropriate age from playing. Regarding the impact of fantasy sports on youth, the resolution stated:

[T]he demographics of fantasy sports participants—predominately young, male, skillbased sports enthusiasts—indicate they are at higher risk for gambling addiction. Fantasy sports players who become preoccupied, unable to stick to limits of time and money and therefore suffer harm to their emotional or financial health may meet gambling addiction

<sup>&</sup>lt;sup>1</sup> Martin, RJ., & Nelson, S. (2014, October). Fantasy sports, real money: exploration of the relationship between fantasy sports participation and gambling-related problems (p. 1380). Addictive Behaviors, 39(10), 1377-1382.

 $<sup>^{2}</sup>$  Id.

criteria. Cases of severe gambling problems stemming from daily fantasy participation have been reported.<sup>3</sup>

The NCPG's resolution noted that fantasy sports play which entails more frequent contests and prizes increases the risk of gambling addiction.<sup>4</sup>

## 2. State enforcement actions acknowledge dangers of fantasy sports

DFS games had previously been considered to be illegal in the states of Arizona, Iowa, Louisiana, Montana, and Washington. Since last fall, numerous states have been reviewing fantasy sports practices to determine whether action is warranted to protect the public, and eight states have taken action.

In October 2015, the Nevada Gaming Commission ordered DFS sites like DraftKings and FanDuel to cease business in Nevada because they were operating gambling operations without the requisite gambling license. Since then, the Attorneys General of the states of Hawaii, Illinois, Mississippi, Texas, and Vermont have all declared DFS to be illegal gambling activity in their states.

In December 2015, the New York Attorney General filed suit seeking to enjoin DraftKings and FanDuel from doing business in New York, based on claims that they were operating in violation of New York's prohibition on gambling and had engaged in various unfair and deceptive practices. The Memorandum of Law filed by Attorney General Schneiderman noted the following about the dangers of daily fantasy sports:

The societal ramifications of allowing DFS to continue are serious and cannot be compensated. Without immediate action to stop illegal gambling, families and neighborhoods will continue to suffer the consequences. Loved ones will continue to fall into the spiral of addiction. Promising futures will continue to get derailed. And our communities will continue to pay the price.<sup>5</sup>

The AG's Memorandum also cited an affidavit by Dr. Jeffrey L. Derevensky, the Director of the International Centre for Youth Gambling Problems and High-Risk Behaviors, who noted, based on his research, that "college students experiencing problem or disordered gambling have a higher incidence of engaging in DFS compared to their non-playing DFS peers," that "DFS players unable to wager in a responsible manner, setting and adhering to personal time and money limits, may miss out on social, academic or professional opportunities,

<sup>&</sup>lt;sup>3</sup> Resolution of the NCPG Board of Directors Regarding Fantasy Sports, Adopted October 8, 2015, accessed at http://www.ncpgambling.org/wp-content/uploads/2015/10/NCPG-Fantasy-Sports-Resolution-Oct-2015.pdf .

<sup>&</sup>lt;sup>4</sup> Id.

<sup>&</sup>lt;sup>5</sup> People v. DraftKings, Inc., N.Y. Sup. Ct., No. 453054/2015, Memorandum of Law in Support of Plaintiff's Motion for a Preliminary Injunction, p. 33.

as well as frequently suffer financial and personal psychological harm," and that DFS has "the potential to become addictive for some individuals."<sup>6</sup>

In November 2015, Massachusetts Attorney General Maura Healey proposed consumer protection regulations to apply to DFS, stating two goals: "to ensure that players are protected and that minors can't access the sites." Among its protections for minors, AG Healey's proposed regulations would prohibit minors under 21 from participating in DFS, and prohibit DFS sites from portraying minors in advertisements. The regulations would also require all DFS advertisements to include information on available assistance to problem gamblers, or to direct consumers to a reputable source.<sup>7</sup>

# **3.** The NFL operates and has aggressively marketed a fantasy football site for children aged six to twelve

Particularly as participation in youth football has declined,<sup>8</sup> fantasy football has apparently become an integral part of the NFL's strategy for getting children interested in its brand. Despite the concerns described above about fantasy sports and problem gambling, the NFL has operated and aggressively marketed a platform for young children, aged six to twelve, to play fantasy football on the league's NFL Rush fantasy website and on an NFL Rush Fantasy app for Apple and Android devices. The game has the trappings of DFS—including frequent contests requiring constant attention to lineups and the incentive of valuable prizes—but without requiring the payment of a fee. The NFL awarded sought-after Xbox One consoles and Madden NFL 16 games to the winners of weekly contests throughout the season. These contests are essentially daily fantasy games, since the results are based upon lineups and performance of selected players in one game. The NFL offered a huge and enticing Grand Prize to each of the two young children who finished the season with the highest point totals: \$5,000 cash (called a "scholarship") or a vacation for three in Hawaii, including tickets to the Pro Bowl and an on-field pass for the child.

By providing these valuable incentives, the NFL is indoctrinating children into engaging in fantasy sports with a financial stake in the outcome. This exposes them, and our communities, to the risks of gambling problems noted above.

Participants must be between the ages of six and twelve. Registrants are asked to provide the email address of a parent, so the NFL can verify age and permission for the child to play. But

<sup>8</sup> Fainaru, S., & Fainaru-Wada, M. (2013, November 14). Youth Football Participation Drops. ESPN.

participation-drops-nfl-concussion-crisis-seen-causal-factor; Leonhardt, D. (2014, November 4). Football, the Newest Partisan Divide. The New York Times. Retrieved from

http://www.nytimes.com/2014/11/04/upshot/football-the-newest-partisan-

divide.html?\_r=1&abt=0002&abg=0

<sup>&</sup>lt;sup>6</sup> People v. DraftKings, Inc., N.Y. Sup. Ct., No. 453054/2015, Affirmation of Dr. Jeffrey L. Derevensky, ¶¶ 5-9, cited in Memorandum of Law in Support of Plaintiff's Motion for a Preliminary Injunction, p. 32.

<sup>&</sup>lt;sup>7</sup>Proposed 940 C.M.R. 34.00: Daily Fantasy Sports Contest Operators in Massachusetts

Retrieved from http://espn.go.com/espn/otl/story/\_/page/popwarner/pop-warner-youth-football-

a child can easily provide some other email address, so that they or a friend can send the purported permission, thereby circumventing the parental approval.

CCFC raised awareness about the NFL operating and promoting its fantasy football game for children in the January 2015 report *Out of Bounds: The NFL's Intensive Campaign to Target Children.* But during the 2015-2016 season, the NFL continued to prominently feature the game on NFL Rush, its website for children. On November 18, 2015, the NFL Rush homepage included conspicuous enticements, including: ads on the wallpaper, stating "ULTIMATE FANTASY EXPERIENCE!" with the logo for NFL RUSH FANTASY on the left hand side, and "Compete with your friends for a chance to win a trip to the 2016 Pro Bowl," with a picture of an exultant young child, on the right side; a box with the NFL RUSH FANTASY logo, enticing visitors to click to an article with the headline: "Kid Reporter Jackie: Fantasy Start-Em and Sit-Em;" and a section displaying leaders at each position, describing not football statistics but *fantasy points*, with the heading "Weekly Fantasy Leaders" at the top, and another link at the bottom to "Play NFL RUSH Fantasy Football!"

On a visit to the same site on January 4, 2016, the layout had changed, but with a similar enticement. The most prominent visual image on the page was a banner ad along the left hand side stating "Who is gonna bring you the win this week? Make your pick now," with the NFL RUSH FANTASY logo.

The NFL also aggressively marketed its NFL Rush Fantasy site on Sports Illustrated's site for children, SIKIDS.com, throughout this past season, including the playoffs. On visits to the site on December 2, 2015, and January 8, 2016, the homepage for SIKIDS.com featured numerous prominent ad links with the NFL RUSH FANTASY logo, and a prominent "NFL RUSH Fantasy Football Tip of the Day." The NFL was the only one of the major professional sports leagues with its own section on SIKIDS.com, labelled "NFL ZONE." Clicking to NFL ZONE took the visitor to an SIKIDS.com page with several more prominent ad links to the NFL's Rush Fantasy site, including two boxes with the NFL RUSH FANTASY logo, and *four* boxes stating "ULTIMATE FANTASY EXPERIENCE! Compete with your friends for a chance to win a trip to the 2016 Pro Bowl," three of them with the same picture of the exultant young child.

Children were also exposed to a constant barrage of DFS advertising when watching NFL games this past season. Boston.com recently obtained copies of consumer complaints to the Federal Communications Commission about DFS advertising, and reported a common complaint that through exposure to DFS ads, children are encouraged to gamble.<sup>9</sup>

<sup>&</sup>lt;sup>9</sup> The Boston.com report quoted several samples of complaints to the FCC, such as this one from a citizen in New Jersey:

I am deeply disturbed by the sudden proliferation of gambling ads for the ilk of draft kings and fanduel on nationally televised sports games. As many young children watch these games I think that it is a deeply disturbing message that we are giving them—ads that promote gambling and the mentality that you can get rich quick by betting on sports events.

http://www.boston.com/business/2015/11/06/here-are-some-fcc-complaints-about-all-those-draftkings-ads/xLAoBvFIKNudqKjyP7CdhI/story.html

#### 4. The NFL offers a fantasy football elementary school curriculum

The NFL contracts with Young Minds Inspired, an "educational marketing agency," to produce NFL educational materials. *NFL Rush Fantasy—Learn, Play, Score!* is a math and language arts curriculum centered entirely on NFL fantasy football, including activity sheets and a teacher's guide.<sup>10</sup> The curriculum requires students to register with NFL Rush, thereby entering the race for valuable prizes, in order to access lesson materials and complete assignments. The lessons are based entirely on fantasy football statistics and calculating fantasy points earned in certain situations. There is not a word about the ways that the *actual game of football* might illustrate arithmetic problems. It is all about the points one earns for their fantasy team—the means to winning the prizes which the NFL dangles in its Rush Fantasy game, and the stock and trade of the adult player who spends and usually loses large sums of money on DFS sites.

Encouraging such activity in the classroom gives the imprimatur of the school in the eyes of impressionable young minds. Educators should not be called upon to assist the NFL in promoting an activity which is potentially harmful and addictive when engaged in by children.

### 5. Conclusion

Youth participation in fantasy sports is a risk factor for gambling-related problems. It is inappropriate and disturbing that the NFL has operated and aggressively marketed fantasy football to children as young as six years old, and even done so in schools.

We note that as of the date of this writing, neither the NFL Rush nor the SIKIDS website displays any prominent promotion of the fantasy football game. CCFC joins the NCPG in calling on the NFL to announce that it will not operate or promote fantasy football games for children at any time in the future.

We welcome the opportunity to meet with you to discuss our concerns.

Sincerely,

<u>/s/ Josh Golin</u> Josh Golin Executive Director Campaign for a Commercial-Free Childhood

<u>/s/ David Monahan</u> David Monahan, Esq. Campaign Manager Campaign for a Commercial-Free Childhood

cc: Time, Inc. Young Minds Inspired

<sup>&</sup>lt;sup>10</sup> Available at http://ymiclassroom.com/lesson-plans/nflrushfantasy/