CHAIRPERSON JAMES: With that, Mr. Costas, before you begin, I understand that you went to great lengths to rearrange your schedule to be with us today and I'd like to thank you for your interest and your commitment to this issue and to the public policy process. Thank you for being here.

MR. COSTAS: Thank you, Madam Chair. This will come as a surprise to some in the room but I will be very brief. I do not bring to this the academic background and the degree of scholarship on this particular issue that some of the other people you'll hear from today do, but Doctor Kelly and some other members of the Commission thought that my perspective might be worthwhile, perhaps especially in the open discussion which will follow, so I will not take up nearly the 12 minutes allotted and I'll pass on a good deal of that time.

On a personal note, and this accounts for some of my interest in this issue, my father was a compulsive gambler, a capable, intelligent, colorful, generous man, whose life and in turn his family's life was at times turned inside out by his addiction to gambling. It was seldom horse racing or casino gambling which would be legal, it was almost always gambling on baseball, football, basketball, and hockey games. I guess it's ironic that my own interest and knowledge of sports came about largely from following the games on which he had hundreds and thousands of dollars wagered.

We were a lower middle income family that eventually became a middle income family, I guess by the mid-1960's but in
the '50's and early '60's my dad had much more than the rent money, much more, wagered on five, six, seven games a weekend. I think I learned a lot about sports by osmosis from following those games. There was no ESPN, there was no ESPN/CNN direct satellite, nothing. So often there would be two televisions going at once with flickering black and white signals. He'd send me out to the car sometimes at night because radio reception was better in the car and I'd be fiddling with the dial. We lived on Long Island in New York trying to pick up the games that came in over 50,000 watt stations from remote outposts; Cincinnati, St. Louis, Pittsburgh, trying to decipher hockey broadcasts in French, Canadians, duex, Mapleleafs, une, which one did my father have? If he had the duex, I'd run inside and tell him. If he had the une, I'd tell him I couldn't pick it up because I didn't want to make him angry. So my personal knowledge of what this can do to a person's life, what it can do to a family, is something that accounts for my presence, at least in part, today as does my knowledge of Art Schlichter's situation. A compelling story which is part of the record here today and I would encourage any of the panelists or any member of the general public with an interest in this issue to refer themselves to the two NBC broadcasts; one in early 1996 and the other in 1998 in which NBC followed Schlichter's story. An all American quarterback at Ohio State, first round pro football draft choice of the then Baltimore Colts, and uncommonly
well-spoken and charming and intelligent young man who, to this
day, retains exceptional capabilities, I think, and whose life
has been completely devastated by his addiction to gambling.

There are more sophisticated programs in place now
to treat problem gamblers who are directly involved as athletes
and participants in sports than there were in the 1980's when
Art's addiction was full-blown but still I don't believe that
they are comparable to the programs readily available for those
involved with drugs or alcohol as an example.

If Art Schlichter's problem had been drugs or
alcohol he might have been able to get early intervention, he
might have been able to deal with his problem more quickly and
effectively than was the case. Instead, his family has been
adversely affected. That puts it mildly. You'll hear from
Mitzi Schlichter later and this young man sits to this day in
prison hoping, hoping to soon be released and to be able to make
something of his life. Hoping to get back on the medication
which is not available to him in prison but which was effective
for a period of time before he went back into prison. Turned
into a criminal by his addiction to gambling and his attempt to
obtain funds to either pay off debts or to be able to wager
again.

I think that Art Schlichter's story, we're not
talking here about a guy who would be referred to as a low life
or someone from the seamier side of society, that someone with
Art Schlichter's position and wherewithal that his situation
would evolved into what it evolved into is compelling, compelling testimony that people ought to pay close attention to. As the previous speaker indicated, the increased prevalence of gambling is a growing concern. I'm not an advocate for one position or another but it's obvious that one of the outgrowths of gambling is the devastation that it can reek upon at least some individuals and their families. Now with the Internet and with reports indicating that there's a significant increase in gambling on college campuses and with collegiate athletes, perhaps more susceptible to the possibility of being involved in point shaving schemes than their professional counterparts who already make large amounts of money and might therefore, not be willing to take the risk, as opposed to a collegiate player who in many cases doesn't have two nickels to rub together, that's got to be a significant concern.

The area in which I work, television coverage of sports, has at least at the network level, in the last decade or so, de-emphasized its coverage or its references to gambling and point spreads. In the '70's and '80's the pro football pre-game shows had people on the program Jimmy "the Greek" Snyder, Pete Axtell, whose job it was to make predictions relative to the point spread and those point spreads were highlighted and it might be argued that that encouraged people's interest in gambling, an interest which was already there.

Even though that has now disappeared from the television scene and even though all professional sports leagues
actively discourage their participants from any involvement in gambling and take public positions against illegal sports gambling, positions which I'm sure are sincere, there is also no denying that the presence and prevalence of sports gambling benefits those leagues and benefits their television ratings. I think this is especially true of pro football, through no fault of football's but it's just the nature of the game. The games are played once a week rather than every day like baseball or several times a week like basketball or hockey.

The point spreads are posted all week long. That increases interest. Everyone thinks their an expert and then you get into a situation which, I think is often overlooked. Pro football is the television ratings king for reasons that largely have nothing to do with gambling, but gambling contributes in this respect. If a football game is on television, and the score of that game is 31 to 10, with four minutes to go, if you're only interested in the outcome of the game, there ought to be a large tune-out factor the way there would be if a baseball game were six to one or a hockey game were four to nothing, or a basketball game were 100 to 83. But if the team leading 31 to 10 is a ten and a half point favorite, that game is in doubt for a gambler until the final possession.

And I think if you chart the ratings of football games on television, there would be less of a decline in an apparent rout as the game reaches its conclusion than there would be in other sports because as long as the point spread is
in doubt, then for a large portion of the audience, so too is the outcome that they really care about. So it would be disingenuous for those who represent sports leagues to contend that they do not benefit and in some cases benefit significantly from the nation's interest in gambling.

CHAIRPERSON JAMES: Thank you, Mr. Costas.

MR. COSTAS: Thank you.