

Name _____

The Economics of NFL Football: A Game of Money and Business

Short Answer Key

1. Television contracts contribute to the NFL's revenue by securing billions of dollars from networks for the rights to broadcast NFL games, including regular season matchups and the Super Bowl.
2. The purpose of the NFL salary cap is to limit the total amount teams can spend on player salaries in a given season. It ensures competitive balance among teams by preventing larger-market teams from outspending smaller-market teams.
3. Revenue sharing in the NFL involves distributing a portion of revenue from sources like television contracts evenly among all teams. This practice promotes fairness and financial competitiveness among teams and prevents an uneven financial playing field.
4. Revenue sources related to stadium financing for NFL teams include luxury suite sales, naming rights deals, and public or private financing for stadium construction or renovations. These sources contribute to team income and help support state-of-the-art facilities.
5. Hosting an NFL game, such as the Super Bowl, benefits the local economy of a host city by bringing in tourists who spend money on accommodations, dining, entertainment, and local businesses. It also creates temporary jobs related to event logistics and showcases the city on a global stage, potentially attracting future tourism and investment.

