

FOUL BALL:

How oil and gas sponsorships pollute major league sports

September 19, 2024

By Evan George

Communications Director,

UCLA Emmett Institute on Climate Change & the Environment

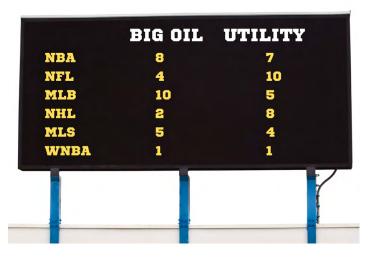
America's favorite pastimes have a Big Oil problem.

Major league baseball, basketball, football, hockey, and soccer all receive funding in the form of sponsorships from some of the companies most responsible for the polluting products fueling climate change.

A survey of 2024 sponsorship deals across six major leagues reveals at least 65 deals with sponsors that can be considered high-polluting companies for selling or producing energy with a high-carbon footprint, the main driver of climate change. This includes 30 sponsorship deals with oil and gas companies—most of them Big Oil's household names. It also includes 35 deals with lesser-known utility companies that generate electricity from fossil fuel-burning power plants and sell fossil gas directly to consumers.

To find 61 of these sponsorships we surveyed reported deals within the NFL, MLB, MLS, NHL, NBA, and WNBA using 2023-2024 and 2024-2025 Commercial Guides published by SportsPro Media, a London-based sports media and events firm that analyzes everything from player acquisitions to broadcast media rights to financial sponsors. The review of these Commercial Guides included sponsors of the leagues themselves, as well as for each of the 165 major league sports teams involved. These sponsors are listed in the guides as "venue sponsors," "sleeve," "jersey," or "helmet sponsors" and "other major partners." Additional research shows at least four more partnerships that did not appear in the Commercial Guides for a total of 65. An updated spreadsheet of the deals is here.

Why focus on these financial sponsors at all? Sponsoring sporting events and beloved local teams is an effective and relatively subtle way for



corporations with image problems to influence audiences through the soft power of advertising, according to social science research on marketing.¹ Big Tobacco used this playbook for decades, until essentially being forced out of sports. As this survey shows, high-pollution companies and industries remain significant sponsors of U.S. sports teams in the 2024-2025 seasons. This at a time when policymakers, officials, and the voters who elect them are confronting climate pollution, including how to quickly move away from burning fossil fuels that emit carbon dioxide. Some of these sponsors have also opposed climate policies in court, regulatory filings and in media campaigns.

Skepticism is growing about fossil fuel companies' strategic use of advertisements to maintain and expand their public acceptance—including in the context of Big Oil and sports. In June, 2024, United Nations Secretary-General António Guterres called on all countries to ban advertising by fossil fuel companies. That same month, Los Angeles Times climate columnist Sammy Roth detailed the long partnership between the Los Angeles Dodgers and Phillips 66, calling for the Dodgers to cut ties.² Roth also looked at how Big Oil sponsors work with the charity foundations of sports teams to "make us forget that fossil fuels are terrible for our health." Despite this recent attention to the Dodgers and a handful of other baseball teams, the role of Big Oil in

^{1 &}quot;The Roar of the Crowd: How Interaction Ritual Chains Create Social Atmospheres," Journal of Marketing, May 21, 2021.

^{2 &}quot;It's Time for the Dodgers to Stop Taking Big Oil Money," the Los Angeles Times, June 20, 2024.

^{3 &}quot;Don't Listen to the Dodgers Foundation. Big Oil is No Star," the Los Angeles Times, July 16, 2024.

major league sports has remained largely anecdotal. This survey attempts to inject some hard data into this important, ongoing conversation.

The findings show which companies are most committed to sports sponsorships in the U.S. as well as the leagues and franchises that currently have high-pollution funders. These findings provide a U.S.-focused update to a global report in 2021 by the New Weather Institute and others that identified 258 "high-carbon" sponsorships across 13 sports and the Olympics.⁴

But this new survey also shows a way forward: There are successful, profitable sports franchises that do not have ties to these polluting industries. And while 65 sponsorships is significant, it is a small percentage of the thousands of sponsorship deals throughout U.S. sports. In other words, it is not hard to imagine Big Oil being replaced by other corporate funders within just a few seasons.

While this survey touches on the sustainability pledges made by many of the leagues, teams, and arenas, this is not a comprehensive review of those pledges. Future studies could focus on how these sports organizations can improve on sustainability measures in the critical years ahead and even partner with clean energy companies as Big Oil falls away.



Big Oil

The oil company funding the most sport sponsorships is Chevron, with 9 deals across baseball, basketball, football and soccer. In the MLB, Chevron sponsors the Oakland Athletics and San Francisco Giants. In the NBA, Chevron sponsors the

Sacramento Kings and New Orleans Pelicans. In the NFL, the company has deals with the Denver Broncos and the New Orleans Saints. In soccer, Chevron funds the Los Angeles Football Club (LAFC) and Austin FC. Chevron also partners with the Seattle Sounders through its ExtraMile convenience store and gas station brand. The number could soon grow: Chevron has a pending acquisition of the Hess Corporation, which sponsors the New York Yankees and the Houston Dynamo.

The next most active of these sponsors is Phillips 66 (and its 76 brand) which sponsors 3 teams. That includes Major League Soccer's Houston Dynamo, as well as the St. Louis Cardinals and the Los Angeles Dodgers, where the 76 logo is literally the most elevated brand in Dodger Stadium, sitting atop the two scoreboards.⁵

Arco sponsors the Sacramento Kings and has a partnership with the Los Angeles Dodgers, while its Ohio-based parent company, Marathon Petroleum, sponsors MLB's Cleveland Guardians, which display the Marathon logo as a patch on their jersey, at home base, and along the first-base side of the field. Marathon Petroleum is a major oil refining company that spun off from Marathon Oil in 2011.

As is clear from the list above, California teams are well represented in the list of franchises with Big Oil sponsors. The Sacramento Kings, LA Dodgers, LAFC, LA Rams, San Francisco Giants, and Oakland Athletics hold 8 of the 30 sponsorship deals with oil companies. California's strong showing in this category is seemingly at odds with the state's ambitious climate goals, progressive values toward environmental stewardship, and aggressive approach to suing Big Oil. The state has active litigation against Chevron, ConocoPhillips, Phillips 66, Exxon Mobil, Shell, BP and other defendants for alleged public nuisance, negligence, and fraud over climate change. "The scale of the devastating public nuisance created by Defendants' egregious misconduct is truly staggering, and California will be dealing with the consequences of this misconduct for many generations," reads California's complaint.6 Chevron and its attorneys meanwhile are leading the charge

^{4 &}quot;<u>Sweat Not Oil: Why Sports Should Drop Advertising and Sponsorship from High-Carbon Polluters</u>," New Weather Institute, Possible and the Rapid Transition Alliance for the Badvertising campaign, March 22, 2021.

^{5 &}quot;Why are the Dodgers Sullying Their Brand with Big Oil," Cara Horowitz, Legal Planet, June 13, 2024.

⁶ The People of the State of California vs. Exxon Mobil Corp

against climate lawsuits in state courts and at the Supreme Court.

So, what do companies like Chevron get from these deals? When they sponsor sports, these brands bind themselves to "intense experiences of shared emotion," write the researchers Robin Canniford and Tim Hill.⁷ These sponsorships take the form of logos and branded messaging displayed prominently throughout arenas, including atop billboards, digital chyrons, and product giveaways like player bobble head figures. These corporate sponsorships also take the form of charity events that benefit community organizations. Chevron, for example, frequently sponsors STEM (Science, Technology, and Engineering, and Math) initiatives that showcase the oil company as a forward-looking community partner investing in childrens' education on behalf of teams like the San Francisco Giants and the Oakland Athletics.



Arco is advertised as a Dodgers Dream Team sponsor on banners at Recreation Centers around Los Angeles County, like this one at the Baldwin Hills Recreation Center.

In another example of foundation sponsorship, Arco is a program sponsor of the "Los Angeles Dodgers Dream Team," a program run by the Los Angeles Dodgers Foundation (LADF) to provide sports programming and "wraparound services for 13,000 youth" in "communities facing social injustices" throughout L.A. County. "We are tackling the most pressing problems facing our city," says a

promotional video that shows an Arco-sponsored "Dodger Day Drive-thru" at a park in Lawndale. Arco, the Marathon subsidiary, is also the lead sponsor of a series of LADF events that offer youth baseball players and their families "access to health screenings, education programs, and basic essentials."

This kind of brand exposure—during games and outside the stadium—means that fans associate these sponsors with the thrill of watching their team win or with the positive benefits of community building. Researchers call this "sportswashing" when an organization harnesses the positive impacts of sport to wash away their negative associations with problems such as environmental degradation. While foundations like LADF provide valuable community services, one question worth asking is whether these charity organizations have any criteria for the corporate sponsors they partner with?

Utility Companies

Utility companies that operate, or source energy from, fossil fuel-burning plants are also major players in sports. Why focus attention on energy utilities? Simply put, they traffic in coal and fossil gas. Although so-called "natural gas" has long been considered a more climate-friendly alternative to coal, recent research finds that when the full impact of the industry is taken into account, fossil gas (mostly methane gas) could contribute to climate change as much as coal. For the purposes of this survey, we've tallied 35 utility companies that generate electricity predominantly from fossil fuel-burning power plants, many of which also sell natural gas directly to customers.

The largest sponsor in this category is NRG Energy, headquartered in Houston, Texas. Although NRG Energy does generate electricity using some renewable sources, more than 80% of the utility's fuel mix is from fossil fuels, according to a 2023 analysis of the top 47 investor-owned utilities. NRG sponsors 6 teams: the Houston Rockets,

^{7 &}quot;Sportswashing: How Mining and Energy Companies Sponsor Your Favourite Sports to Help Clean Up Their Image," The Conversation, January 17, 2022.

^{8 &}quot;Don't Listen to the Dodgers Foundation. Big Oil is No Star," the Los Angeles Times, July 16, 2024.

^{9 &}quot;Evaluating net life-cycle greenhouse gas emissions intensities from gas and coal at varying methane leakage rates," Deborah Gordon et al., Environmental Research Letters, July 17, 2023.

^{10 &}quot;Ranked: Which U.S. Utilities Have the Cleanest Electricity Generation?" National Public Utilities Council, September 25, 2023.

Dallas Cowboys, Houston Texans, New York Giants, Philadelphia Eagles, and the San Francisco 49ers.

Other utilities with multiple sponsorships include FirstEnergy, Georgia Power, Entergy, TXU Energy, and SCANA Energy. Some of these companies have opposed climate policies while trumpeting their involvement in reducing the carbon footprint of individual sports teams. For example, investorowned power companies—including NRG Energy led the legal challenges opposing the Clean Power Plan introduced under President Barack Obama, which ultimately allowed President Donald Trump to roll back that regulation. Just a few years earlier, NRG Energy was signing deals to help the New York Giants, New York Jets, and San Francisco 49ers install solar elements to meet sustainability goals. "NRG is much more than a Founding Partner," said Jed York, CEO of the San Francisco 49ers in a 2013 press release. "They are providing the energy leadership, infrastructure and expertise to help us achieve the vision of making the new Santa Clara Stadium an economically and environmentally sustainable showcase for innovation."11



Golden1 Center where the Sacramento Kings play.

Sustainability Pledges

There is a dissonance between the sustainability pledges of many of the teams when it comes to their arenas and their financial sponsors. The Golden 1 Center where the Sacramento Kings play is widely recognized as one of the most sustainable sports arenas in the country. The facility opened in 2016

as a LEED Platinum facility and proudly claims to be "the world's first arena to be 100-percent solar powered – 365 days a year." (The team says 85% of Golden 1 Center's energy needs are supported by a 10.88-megawatt solar farm located 40 miles away from the arena.)¹² For decades, the Sacramento Kings played at the ARCO Arena, thanks to multiyear agreements to the naming rights with the oil company. That highly public partnership may have ended, and the Kings have opened a famously solarpowered arena, but Arco remains a financial sponsor. So is Chevron, which sponsors a series of social media interviews called "The Winning Drive" with Sacramento Kings players who answer interview questions while driving around the city. The videos have tens of thousands of views.

Another example is Mercedes-Benz stadium, a LEED Platinum facility in Atlanta. Home of the NFL's Atlanta Falcons and MLS' Atlanta United, the stadium was designed to store rainwater for irrigation, encourage public transit, and include more than 4,000 solar panels. After opening it was deemed a "zero waste facility" for its ambitious aim to steer 90% of waste away from landfills.¹³ And yet, two of the major sponsors of the stadium—and both teams—are fossil gas players. SCANA Energy sells fossil gas directly to consumers (the "official natural gas partner of the Atlanta United" declares one web ad) and Georgia Power is an electric utility company that generates electricity from non-renewable sources, including fossil fuel-burning power plants. Rather than transitioning away from fossil fuels, Georgia Power is slated to build new fossil fuel power plants. 14 So, while sustainability is the name of the game in stadium construction, Big Oil is still very much in the game too.

There is an obvious interest in using these financial sponsorships for public relations purposes. As a sponsor of the Cleveland Cavaliers and Cleveland Guardians, FirstEnergy partners with the teams to host book fairs and scholastic events for children to be lauded as a community steward. But the electric utility has also doubled down on coal, abandoning its own 2030 target for reducing greenhouse gas

^{11 &}quot;49ers Name NRG Energy as Stadium Partner," press release, January 23, 2013.

^{12 &}quot;Golden 1 Center "Solar Days" Builds on Sacramento Kings Ambitious Green Performance and Goals," press release, Golden1center.

^{13 &}quot;At Sports Stadiums, Reducing Waste is a Team Effort," the New York Times, September 20, 2023.

^{14 &}quot;Regulators approve plans for new Georgia Power plants driven by rising demand," the Associated Press, August 22, 2024.

emissions. FirstEnergy was also ranked dead last among investor-owned utilities in 2021 for using 0% renewable energy sources.¹⁵ The company also paid a \$230 million fine for playing a central role in a massive Ohio bribery scandal.¹⁶

The dollar amounts of individual sponsorships are rarely reported or made publicly available and so they are not included in this survey. However, there are some takeaways and highlights about the financial role that sponsorships play in major league sports.



Big Picture: The National Basketball Association and its 30 franchises hit an all-time attendance record last year, exceeding 22 million fans. Sponsorship revenue across the league and its teams rose 1.3% to \$1.66 billion, according to the sponsorship consultancy IEG. With 8 oil and gas sponsors, NBA teams are second place, but when you add utility companies that rely on fossil fuels, the league is tied for # 1.

Spotlight: The New Orleans Pelicans have sponsorship deals with Entergy, an investor-owned utility that <u>operates</u> 28 plants using natural gas, nuclear, coal, oil and hydroelectric power but that uses more fossil fuel than renewable sources, as well as Chevron. The oil company co-sponsors an <u>annual science</u>, technology, engineering, and math fest for hundreds of local students and Pelicans fans. Like many NBA teams, the Pelicans also partner with two automotive companies, Ford and Kia.



Big picture: The National Football League, the world's most lucrative sports league, and its 32 franchises raked in a collective \$2.35 billion in sponsorship revenue last season, up 15% from the year before, according to the firm SponsorUnited.¹⁷

Spotlight: The Dallas Cowboys lead in total sponsorship revenue—that includes sponsorships with NRG Energy. However, two of the three teams that experienced the most sponsorship revenue growth—the Cincinnati Bengals and the Cleveland Browns—have done so without any high-pollution sponsorships. And for several years straight, the <u>Jacksonville Jaguars</u> have led the NFL in number of sponsorship deals with close to 200, but the team currently has no high-pollution sponsorships.

^{15 &}quot;Ranked: Which U.S. Utilities Have the Cleanest Electricity Generation?" National Public Utilities Council, September 25, 2023.

^{16 &}quot;An Energy Company Behind A Major Bribery Scandal In Ohio Will Pay A \$230 Million Fine," NPR, July 23, 2021.

¹⁷ NFL Marketing Partnerships 2023 Report, January 20, 2024.





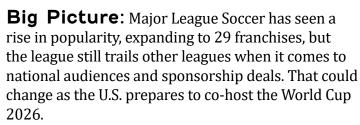
Big picture: Major League Baseball and its 30 teams pulled in more than \$1.5 billion in sponsorship revenue, a whopping 23% growth in sponsorship dollars partly due to new "commercial inventory" such as adding digital signage to team dugouts, according to SportsPro Media. Jersey patches have also led to growth. Out of the 30 sponsorship deals with oil and gas companies, 10 of them are with MLB teams—first place.

Spotlight: The Houston Astros, valued at \$2.42 billion, counts ConocoPhillips as a sponsor. The team also signed a 7-year deal in 2023 with Oxy, otherwise known as Occidental Petroleum, to be the team's official jersey partner. "The Astros are proud of our longstanding relationship with Oxy and are grateful for their shared commitment to both community and our fans," Jeff Stewart, the Astro's Vice President Corporate Partnerships <u>said</u> in a press release. The oil company, one of the largest oil producers in the U.S., is a sponsor of the Astros Foundation and a game day for military veterans and active-duty military members.

Big Picture: The NHL's 32 teams earned \$1.28 billion in sponsorship revenue during the 2022-23 season, a massive 21% jump that SponsorUnited said outpaced all other major professional sports leagues. including the NFL.¹⁸ One reason is the expansion of where companies can advertise, including on team helmets, jerseys and so-called "digitally enhanced dasherboards" which virtually superimposes advertising on the broadcast. Imperial oil and its Esso brand is the "official retail fuel" of the league. Esso, owned by Exxon Mobil, has a long history with hockey, especially in Canada. Esso sponsored the first national radio broadcast of an NHL game there in 1936. In the 1970s, the company devised a hockey trading card scheme called **Esso Power Players**. Esso is a founding sponsor of the Hockey Hall of Fame and operates something called Esso Medals, in which coaches and minor league youth players are celebrated for their achievements, as seen in a promotional video of the Durham West Lightning players cheering each other on in Esso jerseys.

Spotlight: In 2021, the Dallas Stars inked a deal to put the logo for Energy Transfer on both sides of its helmet. Energy Transfer is one of the largest fossil fuel companies in the U.S. with a focus on the transportation and export of fossil gas, crude oil, and liquid natural gas, and more than 100,000 miles of pipelines. The Energy Transfer logo "will be highly visible and provide prominent brand recognition on Stars broadcasts, both locally and nationally, and across a variety of digital media platforms," reads a press release from the time.





Spotlight: Los Angeles Football Club (LAFC), estimated to be valued at \$1.2 billion, counts Chevron as a sponsor. LAFC signed a three-year extension this year with Chevron to be the team's "official energy partner," a deal that allows Chevron to showcase its community commitment by helping the team refurbish school sports fields and donate equipment. "Chevron shares LAFC's goal of elevating our community through the world's game, and we look forward to continuing to support and inspire others through our work together," LAFC Co-President & CBO Larry Freedman said in a press <u>release</u>. Compare that with the second most valuable team: Inter Miami's revenue more than doubled in 2023, according to Forbes, which estimates that the franchise is now worth \$1.03 billion making InterMiami only the second team in MLS to achieve a billion-dollar valuation after LAFC. Unlike LAFC, Inter Miami does not have any active oil, gas or utility company sponsorships.



Big Picture: The Women's National Basketball Association currently has 12 franchises but is on the precipice of a big expansion. According to SportsPro Media, games have already been moved to larger venues to meet demand and ticket sales. WNBA leadership has recently described it as 'a Tiger Woods moment' for women's basketball, and said the league is looking to expand to 16 teams by 2028.

Spotlight: The WNBA may hold claim to the only facility named for climate action and not a corporation, in the form of the Climate Pledge Arena, which is home of the Seattle Storm. The arena provides free public transit to all events and has outlined detailed initiatives for zero waste, energy reduction, and a net-zero goal by 2040.¹⁹ The league only has two oil, gas and utility sponsorships. In fact, the only WNBA team with such a sponsor in 2024 is the Atlanta Dream, which is sponsored by SCANA Energy, a natural gas company. However, the WNBA has since 2016 had a deal with ExxonMobil to be the league's "official motor fuel partner."

^{19 &}quot;How Seattle's Climate Pledge Arena Achieved Zero-Waste Status," Vox, August 7, 2024.

Conclusion

It's no coincidence that nearly every Major League Baseball team in the U.S. once played under a billboard for either Marlboro or Winston cigarettes.²⁰ Big Tobacco sponsored sporting events to enhance the social acceptability of smoking and their brands. It wasn't until physician groups and others campaigned against tobacco sponsorships that policymakers curtailed their sponsorships to address the public health effects of their product.

Similar dynamics are at play here. The obvious popularity and influence of major league sports, local franchises, and their players grants substantial power to oil and gas sponsors. We find ourselves in a critical time in the race to address climate change. Public opinion about the industries and companies most responsible—and most able to reduce greenhouse gas emissions—plays an important role in how we meet this challenge. Transparency about the carbon pollution footprint of major corporations is one piece of this puzzle. Separating the reputation of oil and gas products from the ecstasy of watching America's favorite pastimes may be another.

As the MLS and the WNBA grow in popularity and value, their teams have an opportunity to forge a different path forward. Meanwhile, the NBA, NFL, MLB, and NHL are likely to face growing calls from climate advocates and public health experts demanding they cut ties with Big Oil. It's been several months since U.N. Secretary-General António Guterres called on all countries to ban advertising by fossil fuel companies, calling it a moment of truth for climate action.

It will be telling to see if the 2025-2026 season brings any fewer sponsorship deals between major league sports teams and high-pollution companies in the U.S.

Research assistance by Emmett Institute student researchers Danielle Anz, Emily Camarena, and Malia Garcia. For more information, please contact evan.george@law.ucla.edu. The views expressed in this paper are those of the author. All rights reserved.

Update:

At least four sponsorships that did not show up in the original survey of deals have been added to the <u>spreadsheet</u>. They include sponsorships with the Boston Red Sox (Gulf Oil), the Los Angeles Rams (Shell Oil), the Los Angeles Dodgers (Arco), and the NBA (Exxon).

Correction:

An earlier version of this survey incorrectly identified Marathon Oil as sponsor of the Cleveland Guardians. The correct sponsor is Marathon Petroleum, a major oil refining company which spun off from Marathon Oil in 2011.