

SHAREHOLDER HISTORY & FINANCIAL HISTORY

Of all the reasons that make the Green Bay Packers and their story so incredible and unique, the most significant is simply this: The team is literally owned by its fans.

Presently, 112,205 people (representing 4,750,940 shares) can lay claim to a franchise ownership interest.

Shares of stock include voting rights, but the redemption price is minimal, no dividends are ever paid, the stock cannot appreciate in value, and there are no season-ticket privileges associated with stock ownership. No shareholder is allowed to own more than 200,000 shares, a safeguard to ensure that no one individual is able to assume control of the club.

The team has had three **owners**, all in its first four years, 1919-22. The first owner, Indian Packing Company, paid an unofficial purchase price of \$500 to supply Curly Lambeau with uniforms and equipment. In turn, Lambeau and team manager George Calhoun called the club "Packers."

Shortly thereafter, Acme Packing Company bought Indian Packing Company and all its assets, including the fledgling team. In 1921, Lambeau convinced new owners John and Emmitt Clair to apply for membership in the new American Professional Football Association (early NFL).

With the team already headed for bankruptcy, the APFA revoked the franchise after Lambeau used illegal college players in a non-league game later that year. But before the 1922 season, Lambeau by himself reapplied and the league reinstated the Packers, with Lambeau as owner. When rain threatened to sink the team in 1922, A.B. Turnbull came to the rescue.

Turnbull, publisher of the *Green Bay Press-Gazette*, grocery man Lee Joannes, attorney Gerald Clifford and Dr. W. Webber Kelly cancelled Lambeau's \$2,500 debt, then rallied the community behind the team. In August 1923, with more than 400 in attendance at a local Elks Club, the club was transformed into a nonprofit entity, the Green Bay Packers Corporation. The five men, including Lambeau, were nicknamed the **Hungry Five**.

There now have been four stock drives in the 91-year history of the team. The **first stock sale**, which took place at that 1923 meeting, saw local merchants raise \$5,000 by selling

1,000 shares for \$5 apiece, with a stipulation that the purchaser also had to buy at least six season tickets.

The **second**, in 1935, raised \$15,000 after the corporation had gone into receivership. At that point, the nonprofit Green Bay Football Corporation was reorganized as the Green Bay Packers, Inc., the present company, with 300 shares of stock outstanding.

The **third**, in 1950, came on the heels of founder Curly Lambeau's 30-year dominion, when the club's officers arranged to amend the corporation's bylaws to permit the sale of up to 10,000 total shares of stock (opening up more than 9,500 shares for purchase), to limit the number of shares that any individual could own. The team also increased the number of directors from 15 to 25.

The response to the 1950 drive was inspiring, with people from all across Wisconsin, as well as former Green Bay residents living in other states, coming forward to buy the \$25 shares of stock. Roughly \$50,000 was raised in one 11-day period alone. Reportedly, one woman from a farm near Wrightstown, Wis., showed up at the team's offices with \$25 worth of quarters in a match box. A total of about \$118,000 was generated through this major stock sale, helping to put the Packers on a sound financial basis once again.

The **fourth** came late in 1997 and early in 1998. It added 105,989 new shareholders and raised more than \$24 million, monies which were utilized for the Lambeau Field redevelopment project. Priced at \$200 per share, fans bought 120,010 shares during the 17-week sale, which ended March 16, 1998.

With the NFL supporting the plan, the existing 1,940 shareholders overwhelmingly voted to amend the articles of the corporation on Nov. 13, 1997. The vote authorized the Packers to sell up to 1 million shares to raise funds for capital improvements, and received a 1,000-to-1 split on their original shares. Fans immediately were able to call a special toll-free number, or tap into the team's website for information on how to buy the 400,000 shares made available to the public.



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EVENTS THAT HELPED TO STABILIZE PACKERS FINANCIALLY, 1922-66

- **A.B. Turnbull's actions, 1922-23** — When rain threatened to keep fans away and bankrupt the Packers, Turnbull told Lambeau and George Calhoun to play their games and that he'd bail them out of debt. Turnbull then organized local investors, turned team into non-profit organization in 1923, and raised \$1,000 in team's first stock drive.
- **Court decision to appoint receiver, 1935** — After fan who fell from City Stadium bleachers sued Packers, team petitioned for friendly receiver, while litigation ran its course. Henry Graess, circuit court judge and Packers fan, appointed local accountant Frank Jonet as receiver. Despite Great Depression, Packers prospered during receivership (1934-37), thanks in part to growing popularity of NFL.
- **Second stock drive, 1935** — President Lee Joannes raises \$15,000 in "Save the Packers" stock drive, getting donations from firefighters, policemen, high-school students, housewives, civic leaders and other citizens.
- **Joe Carr's sending Don Hutson to Green Bay, 1935** — College star signed two contracts, including one with Brooklyn football Dodgers. League President Joe Carr awarded Hutson to Packers because team's contract was postmarked earlier. Hutson, pivotal in timely 1936 world championship and greatest player in Green Bay history, helped team to climb out of court receivership.
- **NFL's installation of college draft, 1936** — Kept small-market teams such as Packers competitive with big-city opponents.
- **Lee Joannes donation, 1937** — Packers president paid \$6,000 to settle case of fan who fell from stands in 1934, then convinced court to end receivership period.
- **Decision to play games in Milwaukee, 1933** — Allowed Packers to tap larger market. As a result, the Packers now have one of the largest territories in sports (the NFL has traditionally given teams only 75-mile radius). By playing in both Green Bay and Milwaukee (1939-94), Packers thwarted any efforts to establish another competing pro football team there.
- **Decision to invest in war bonds, 1940s** — Money in reserve carried team despite losses of at least \$25,000 in 1943 alone, as World War II depleted rosters.
- **Intrasquad game, Thanksgiving, 1949** — Packers brought old-timers back, drawing 15,000 to City Stadium, earning \$50,000.
- **Third stock drive, 1950** — After Lambeau's departure, team raised nearly \$118,000.
- **Bert Bell's push for league-wide TV package, 1950s** — With help from Congress, commissioner laid groundwork for CBS-TV deal that allowed all teams, large market and small market, to share revenue, eventually in place by the 1961 season. In 1966, Pete Rozelle signed first NFL TV package, with CBS and NBC, giving Packers more than \$1 million (which allowed Vince Lombardi to sign Donny Anderson to the team's first long-term contract).



Jonet

SHAREHOLDER HISTORY

The initial response to the recent stock offering was staggering. In the first 11 days, roughly one-third — or \$7.8 million — of the total amount transacted was sold. Paid orders poured in at a rate of 3,500 per day during this early period, generating about \$700,000 each day. The sale hit its high point during the first week of December as fans purchased shares as holiday gifts.

Shares of stock were purchased by citizens from all 50 states, in addition to fans in Guam and the U.S. Virgin Islands. Over half (or roughly 64,300) of the new shares during the 1997-98 offering were bought by Wisconsin residents, followed by inhabitants of Illinois (9,600), Minnesota (4,300), California (3,700), Florida (2,900), Michigan (2,800), Texas (2,500) and Ohio (2,000).

Today, an annual meeting of shareholders is held in July. The event returned to Lambeau Field in 2006 after several thousand people were turned away from the 2005 meeting at the nearby Resch Center. As a means of running the corporation, a board of directors is elected by the stockholders. The board of directors in turn elect a seven-member Executive Committee (officers) of the corporation, consisting of a president, vice president, treasurer, secretary and three members-at-large. The president is the only officer who receives compensation. The balance of the committee is sitting gratis.

Shares of stock cannot be resold, except back to the team for a fraction of the original price. Limited transfer of shares (i.e., to heirs and relatives) is permissible.

Based on the original 'Articles of Incorporation for the (then) Green Bay Football Corporation' put into place in 1923, if the Packers franchise was sold, after the payment of all expenses, any remaining funds would go to the Sullivan-Wallen Post of the American Legion in order to build "a proper soldiers' memorial." This stipulation was enacted to ensure that the club remained in Green Bay and that there could never be any financial enhancement for the shareholder. The beneficiary was changed from the Sullivan-Wallen Post to the Green Bay Packers Foundation on the basis of a shareholder vote at the November 1997 meeting.



NOTABLE PACKERS FINANCIAL FIGURES, 1919-58

\$16 Amount each player received after first season, 1919. Players divided up profits after last game, some of which came from George Calhoun's hat, passed along the sidelines like a church offering.

\$500 Sum given to Curly Lambeau by Frank Peck, his boss at Indian Packing Company, for team's first uniforms.

\$250 Amount NFL charged Lambeau before 1922 season for re-entry; league forfeited franchise after Lambeau used illegal college players in 1921 game vs. Chicago Supremes. Using \$50 of own money, he got the rest from friend Don Murphy. After joining Lambeau on drive to Canton league meetings, Murphy sold his car (Marmon Roadster), gave Lambeau needed funds, then purchased tickets home. In exchange, Murphy got to play briefly in 1922 non-league opener...George Halas, despite rivalry, was instrumental in persuading league to allow Packers back...Following Green Bay reinstatement, using Packers as example, the NFL asked each club for \$1,000 to guard against using college players.

\$2,500 Deficit new owner Lambeau faced after rain-ravaged 1922 season. No games were ever rained out, but weather took its toll on home attendance. Following season, with help of A.B. Turnbull, Packers became publicly owned corporation, and new team leadership raised additional \$1,000 in team's first stock offering.

\$5,000 Verdict awarded to fan who fell from stands at City Stadium in 1934 and sued team. Packers' public-liability mutual insurance company was already going bankrupt, so team forced to pay \$2,500 to company's creditors. Fan's fall sent Packers into receivership.

\$15,000 New capital generated by Lee Joannes' 1935 stock drive, the second in team history.

\$300 Don Hutson's weekly game check as rookie in 1935, one year before first college draft. In midst of Great Depression, city of Green Bay had only two banks. Both banks had to write Hutson a weekly check, each for \$150.

\$1,149 Share each player received for winning 1936 championship, after Boston Redskins owner George Preston Marshall moved the game to the Polo Grounds in New York.



Joannes

\$6,000 Amount Lee Joannes, president of Packers Corporation, loaned team to bail it out of receivership (settling the fan's damage judgment). Joannes held the Packers in his personal possession as security. According to *Forbes* in January 2005, the Packers are worth \$756 million, up from \$392 million in 2001.

\$10,000 Amount team used to purchase Liberty war bonds, with profits from 1941 NFL playoff loss, 33-14 to Bears, one week after Pearl Harbor.

\$25,000 Price paid by Lambeau to purchase Rockwood Lodge, on shores of the bay north of city, for team's new training facility. Move drew heavy criticism from Executive Committee.

\$75,000 Amount paid by insurance company to Packers after Rockwood Lodge burned to ground in January 1950, shortly after Lambeau departed for Chicago Cardinals.

\$118,000 Funds created by third Packers stock drive, in 1950.

\$75,000 Price CBS paid Packers to televise 11 games each year from 1956-58. Teams in larger markets got much more money. Thanks to foundation laid by Commissioner Bert Bell and U.S. Congress, league in 1961 season instituted current policy of league-wide TV package, allowing Packers equal share, despite small market size.

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