

NBA NEWS

NBA COMMUNICATIONS GROUP

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PEDOWITZ REPORT RECOMMENDS SIGNIFICANT CHANGES TO NBA OFFICIATING PROGRAM

- No Additional Referees Found to be Involved in Criminal Activity -

NEW YORK, October 2, 2008 – Lawrence B. Pedowitz issued his report to the National Basketball Association regarding the league’s anti-gambling rules, policies, and procedures, and its officiating program. Mr. Pedowitz, a former Chief of the Criminal Division in the United States Attorney’s Office for the Southern District of New York, was appointed by the NBA to review and make recommendations on these matters in the wake of the indictment and guilty plea of Tim Donaghy.

Following a 14-month investigation, Mr. Pedowitz made extensive recommendations to improve the league’s anti-gambling rules and officiating program. The 116-page report reflects the recommendations and other findings by Mr. Pedowitz and his colleagues from the law firm of Wachtell, Lipton, Rosen & Katz. A complete copy of the Pedowitz Report is available at <http://www.nba.com/media/PedowitzReport.pdf>.

The recommendations made by Mr. Pedowitz were substantial. They include strengthening the NBA’s anti-gambling rules, particularly with respect to the disclosure of confidential information; improving the enforcement of these rules and creating a “culture of compliance” among all league and team employees, including through the reorganization of the management of the referee program and the creation of an anonymous hotline for gambling information; increasing the league’s monitoring of games for suspicious activity; and increasing the league’s efforts to eliminate the perception of referee bias, including by making more information publicly available about the referee program and increasing access to the referees by fans and media.

NBA Commissioner David Stern, commenting on the Report, said:

"We are very appreciative of the effort by Mr. Pedowitz and his staff considering the extraordinary nature of the review. Mr. Pedowitz, who together with his team conducted approximately 200 interviews, was given the broadest possible mandate and was provided unfettered access to our employees, records, data and video library to ensure the independence and thoroughness of his report.

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“We welcome the recommendations from Mr. Pedowitz in areas where we can improve – all of which will be adopted, and many of which have already been adopted, including the hiring of Army Major General (Ret.) Ronald L. Johnson as the Senior Vice President, Referee Operations. These measures are a beginning, not an end. We know that the NBA’s success hinges on the integrity of our sport and on competition that allows teams to win based on their own skill and performance. We expect nothing less from our referees than the highest level of accuracy, professionalism and integrity.

“I have asked Mr. Pedowitz to continue his service by reviewing our program at the end of the season to ensure that it comports with his recommendations and aspires to the highest levels of integrity.”

Along with his recommendations, Mr. Pedowitz reported the following findings:

- He found no evidence that any NBA referee other than Mr. Donaghy bet on NBA games or leaked confidential NBA information to gamblers, and no evidence that phone calls between referee Scott Foster and Donaghy were attributable to criminal activity.
- He found no evidence that any referee miscalled a game to favor a particular team or player, or that the League has asked referees to call games to favor particular teams or players.
- He found no evidence to support specific allegations of game manipulation or misconduct made by Mr. Donaghy and his attorney in June 2008, including allegations regarding a 2005 playoff series between the Dallas Mavericks and the Houston Rockets and a 2002 playoff series between the Los Angeles Lakers and the Sacramento Kings.
- He found that a number of referees engaged in forms of gambling other than betting on NBA games, in violation of League rules. The League previously decided not to discipline referees for these violations.

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