Stuart Williamson EAF Response Summer 2019

For the first eight weeks of the summer, I interned with Prokick Australia in Melbourne, Australia. Prokick is a for-profit company that works to train Australian athletes as American football players. Specifically, they train their athletes as punters. Prokick aims to get every one of their athletes a scholarship to play American football at a university in the United States, saving them hundreds of thousands of dollars in education fees. To be admitted into the program, each applicant has to have completed the Australian equivalent of high school and pass an athletic assessment. Depending each applicant's financial situation, the fee for joining the program for six months is around \$5,000 AUD (about \$3,500 USD). That fee is Prokick's only source of revenue. Since its birth in 2007, Prokick has helped send over 100 Australians to American universities. Some of the best programs in college football—including Louisiana State University, University of Florida, Texas A&M University—have had or, within the next year, will have a Prokick punter on their roster. Three Prokick graduates are on NFL rosters.

Even in its newness, Prokick is changing the way American football is being played. Because of their backgrounds playing Australian rules football (also known as "footy"), a game that requires its participants to be extremely athletic and have the ability to kick an Americanfootball shaped ball with both feet on the run, without compromising accuracy or power, Prokick graduates are revolutionizing American football. Traditionally, the punter position has been played by some of the least athletic players on rosters. Their only responsibility has been to catch the snap and the punt the ball away. As long as they were effective at that, it did not matter whether they were athletic or not. However, Prokick punters are not following those stereotypes. Their footy playing backgrounds have given them the ability to run to the right or left with the ball, punt with either foot, control the spin of the ball, and have unprecedented kicking accuracy. Now that Prokick has become established in American football, punters from the United States are responding in intriguing ways.

Nathan Chapman and Johnny Smith, the co-founders of Prokick, were incredible hosts for me. They gave me nearly full transparency with how they run things—from their training sessions to behind the scenes work. Their trust in me allowed me take full advantage of this experience and get out of it what I desired to. I was without a doubt able to make multiple connections between what I witnessed and what I have learned in my economics courses so far on this trip.

My first day with Prokick in Melbourne seemed to set the tone for the rest of trip. I was in the car with Johnny on the way to a morning training session. He detailed to me a conversation he had the week before with one of the trainees. The trainee brought up the concept that Prokick was in the process of "invading" American football. In his eyes, he believed that Prokick was on a path to pure domination of the punter position. Johnny explained to me that this was a sentiment he heard all the time from his guys, the thought that from this point on the vast majority of punters in college and professional football would be Australian. However, Johnny was quick to make it clear to me that there is no invasion. Instead, he refutes his trainees' claims by responding that what Prokick is doing is "simply sport."

Nathan and Johnny found a hole in American football and created Prokick to fill it up. Their punters are becoming more prevalent at the highest levels of performance. But, following what sports, and the economics of sports, have shown us in the past, it is safe to assume that American kids hoping and training to play the punter position at college and professional levels will learn how to adapt and gain the skills needed to match what the Australians are doing. In fact, Nathan and Johnny have expressed to me that they are already starting to. For five years in a row starting in 2013, the Ray Guy Award, the award won by the most outstanding punter in college football, was given to an Australian punter. Last year, for the 2018 season, an American won the award. Not only did he win the Ray Guy Award, but he also broke the NCAA season record for longest punting average. This feat shows a couple of things. First, it emphasizes the recent of dominance of Australian punters considering that it took a record-breaking performance for an American to win the award again. It also shows that Americans are answering the demand that the punter position now requires.

To their best ability, training programs in the United States are beginning to emulate what Prokick is teaching "down under." With the Australian-style becoming the hot commodity, the demand for punters that can kick the ball on the run, with both legs, etc. is increasing. American trainers have noticed this and many are responding accordingly. Nathan and Johnny have admitted that the level of the competition they are starting to face from American kids seeking punting scholarships is increasing. There is even an American in the Prokick program that moved to Melbourne from Florida for six months with hopes to earn a scholarship. Nathan and Johnny are doubtful that the skills will be flawlessly adapted by Americans because Americans do not have the years of Australian rules football that have made Australians so effective. But, the popularity of football in the United States, and the large number of people that play it at the youth level, will always keep it tough for Prokick to completely takeover the game.

Often in sport, when a player or team develops a skill that is highly affective, that player's or team's competition will grow a demand for that skill. In 2015, NBA star Steph Curry took over the basketball world because of his ability to shoot the three-point ball. Four years later, the NBA team average for three point shots attempted per game is nearly ten attempts higher than it was in 2015. Because of Prokick and the Australian style of punting, we are seeing a similar situation in American football. The demand for more versatile punters from coaches is growing, and trainers in Australia and the United States are working to supply that demand.

During my time in Melbourne, I also completed a statistical analysis of ex-Prokick punters' performance at the collegiate level. Initially, I planned on using my results to help with Prokick's marketing efforts. However, with the statistics I was able to obtain (mainly stats relating to distance of punts), I was not able to uncover that Prokick punters were any more effective than American punters. I understand now that the edge Prokick punters have over Americans is their accuracy and ability to improvise using their unique skillsets. Unfortunately, there are no official stats that measure accuracy, simply because, from an outside perspective, there is no way to know where the punter is trying to place the ball. So, instead of taking a statistical approach, I worked with Nathan and Johnny to find other ways to figure out the most logical method of marketing and potentially expanding its services.

About two weeks into my internship, the owner of a local youth sports training academy met with Nathan to discuss a potential partnership. Nathan allowed me to sit-in on the meeting. The youth training academy owner was pitching the prospect of a partnership where he would allow Prokick to train at his facilities and start putting Prokick on the radars the athletes in his programs at a younger age. In return, Prokick would pay him for his services. The owner of the academy figured that this would help Prokick attract new members to its program for years to come, increasing its revenues and potential success rates in the United States. Nathan politely declined the offer.

The next day, Nathan explained to me that he constantly has people pitching similar ideas to him. Other business owners see Prokick as innovative company that has the potential to

expand greatly in the short-term. Through their own research, though, Nathan and Johnny do not entirely agree. Nathan believes that the entirety of kids in Australia that play Australian rules football dream of growing up to play professional Australian rules football, not American football. I have been able to discover that many people in Australia have little idea of what American football even is. It is not until these athletes fail to reach that professional footy level when they start to look for other options—which is when Prokick comes into play. Partnering with a company that intends on putting Prokick on the radar of younger kids would be unsuccessful because there is a lack of interest, Nathan and Johnny believe.

During my research into the advantages and disadvantages of expansion, I learned another reason from Nathan why they are hesitant to expand. If they wanted to, Prokick could admit more people into their program, increasing profits for Nathan and Johnny. They regularly deny people from entrance after observing their assessments. A short-term answer to increasing profits would be to allow those applicants in. With that method, however, Nathan and Johnny see long-term risks that could potentially cause Prokick to fail. The success of Prokick is dependent on the success of Prokick punters that go on to play in the United States. If they perform well, then coaches in the United States will continue to recruit punters from Nathan and Johnny. Conversely, if a punter performs poorly, it is likely that his coach will not want to have an Australian punter again. Because the concept of having an Australian punter is still foreign to many college coaches, one bad experience with one can, and has, hurt the chances of other Australian punters being recruited. That is why Nathan and Johnny are still hesitant to quickly expand. Until the idea of having Australian punters and their successes become more familiar, Nathan and Johnny intend on keeping their circle small. They want to be sure that what they are sending out will not hurt the future of their business.

Even though I was not able to use the statistical analysis like I had hoped to, I was still able to come away from my internship with new understandings of the presence of economics in sports. The concept of the introduction of an effective skill can sometimes be explained by basic supply and demand, as shown by the relatively new desire for the Australian style of punting. However, in the case of expanding a small sports business, it is not so simple. Yes, the demand for Prokick's services is high enough where it could expand, and there is enough interest to where they could expand by allowing more people into the program. But, listening to the demand of the market and expanding does not necessarily mean that Prokick will be more prosperous in the long-run, in Nathan's and Johnny's opinions. There are other things to consider in this case, like the importance of their reputation and the familiarity of their services from coaches in the United States.

This was an excellent experience and I look forward to bringing this knowledge back to Chapel Hill with me when I take the Economics of Sports course in the near future.