

Top exec of LSU arena finalist indicted

By Dillon Lowe



The CEO of Denver-based Oak View Group, the final firm in consideration to develop LSU's new \$400 million arena, has been indicted by the U.S. Department of Justice. He's accused of participating in a "bid-rigging scheme" tied to the development of the Moody Center in Austin, Texas.

It's currently unclear how the indictment will affect LSU's arena project, if at all. A spokesperson for LSU athletics sent *Daily Report* the following statement:

"All involved parties are evaluating the implications on the potential arena project in Baton Rouge considering this week's news regarding Oak View Group. There is not a

finalized agreement in place with Oak View Group, nor has a potential agreement gone before any governing bodies for approval, including the LSU Board of Supervisors. The future status of the project will be informed by a due diligence review.”

LSU Athletic Director Scott Woodward identified Oak View as the finalist to develop LSU's arena [in a speech at the Southeastern Conference's annual spring meeting in May](#). Also in May, another LSU official [told Daily Report](#) that those involved in the arena project were “continuing to make progress” but declined to speculate on when the arena's potential developer might submit its plans to the LSU Board of Supervisors and the Louisiana Board of Regents for approval. Both boards must sign off on the project before it can move forward.

Bloomberg [previously reported](#) that the DOJ was investigating whether Oak View and fellow live entertainment company Legends colluded over bidding to develop the Moody Center, a \$388 million arena on the campus of the University of Texas at Austin. Oak View ultimately won the contract in 2018, and the arena opened in 2022.

[Per media reports](#), Tim Leiweke, the indicted Oak View executive, is alleged to have “entered into an agreement with another potential bidder for the [Moody Center] to drop a competing effort in exchange for lucrative subcontracts.” That other potential bidder was Legends. Leiweke allegedly bragged in an email to another executive that he'd been “very clever at putting together a partnership that scared everyone else away” from bidding to build the arena. In the end, Oak View didn't award any subcontracts to Legends.

The maximum penalty for bid rigging is 10 years in prison and a criminal fine of \$1 million, according to the DOJ's website. The DOJ's Antitrust Division is also expected to announce “non-prosecution agreements” with Oak View and Legends. Oak View is expected to pay a \$15 million penalty and Legends is expected to pay a \$1.5 million penalty.

Leiweke has now stepped down as CEO of Oak View, and Oak View President Chris Granger has taken over his position.

A statement sent to *Daily Report* from Ellen Davis of August Strategic Communications, a spokesperson for Tim Leiweke, contends the executive has “done nothing wrong” and will “vigorously defend himself and his well-deserved reputation for fairness and integrity.” The statement refers to the Oak View and Legends arrangement as a “vertical, complementary business partnership” and insists it was legal. It also alleges the Antitrust

Division's allegations are "wrong on the law and the facts," and argues the case "should never have been brought."

"These allegations blatantly ignore established legal precedent and seek to criminalize common teaming efforts that are proven to enhance competition and benefit the public," Davis writes. "The Moody Center is a perfect example, as it has resulted in substantial and sustained benefits to the University of Texas and the city of Austin."

Editor's Note: *This story has been updated since its original publication.*

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