

Sports rights – should PSBs stay

It will come as no surprise to hear the Director General of the European Broadcasting Union (EBU), say yes, Public Service Broadcasters (PSBs) definitely should stay in the sports rights game.

In fact, the question we should be asking here is: will PSBs be able to stay in the game? I, for one, hope so. I resolutely believe that free-to-air access to sports in Europe should be protected, just as access to healthcare and education is protected. I believe it is in the interests of public broadcasters. I believe it is in the interests of sports and their governing bodies. And I believe it is in the interests of society and its progress.

In the interests of broadcasters

Our job is to reach out to everyone, to remind people that they are part of a greater whole.

Sport makes unbeatable entertainment. Makers of documentaries, drama and reality TV can only dream of drawing the same level of focus. Sport is microcosmic, unscripted human drama. It has heroes and villains; it fires passions and stimulates debate.

But sport is so much more than entertainment. When everyone shares a great sporting event, a cohesive sense of “nation” emerges. Just look at what the London Olympic Games did for this country. Team GB’s astonishing medal haul added to the magic, but its unifying power was detectable even at the Opening Ceremony.

Sports and broadcasting in symbiosis

But Public Service Media have a special obligation.

In the summer the EBU General Assembly agreed on a ‘Declaration on the core values of public service media.’ Universality and Diversity are among six of the values our Members identified as fundamental to public service broadcasting.

We do not only want to reach out to the widest possible audience, since everyone is paying licence fee, but we also strive to provide the highest possible diversity of programmes, genres and opinions. We want to offer the broadest range of sports – not to cover just football, football and more football. And by giving exposure to the greatest variety of sports, PSM provide invaluable support to national

sports industries. And we have a long history of doing this.

Today, the popularity of big events is still growing because of improving technology and quality of coverage. Social media are engaging audiences even more by increasing the intensity of the whole experience. Sports events are the ideal showcase for broadcasting innovation. The Tokyo Olympic Games were first broadcast live to the world in 1964. The Olympic Games in Rome 1968 were the ideal event to launch in most countries colour TV.

The research labs of broadcasters and device manufacturers dedicated a lot of time and money to develop HD TV in the eighties. In 1990, Europe enjoyed its first High Definition TV transmissions thanks to RAI and NHK. Why? For the Italia ’90 FIFA World Cup.

And who can honestly claim they were not awestruck by the BBC’s game-changing coverage of this summer’s Olympic Games in London? They showed us new possibilities in terms of choice and raised the bar in terms of individualized viewing of the myriad sports they made available. London 2012 was the first truly digital, multiplatform Games. The BBC together with NHK showed the audience the next generation of picture quality: Super High-Vision.

Digitization and the convergence of broadcasting, telecommunications and the internet have created new opportunities to watch sport on multiple platforms. As well as mobile devices, these include subscription sport channels – channels that were unthinkable in an earlier era of analogue broadcasting. But technical developments are also major drivers of sports rights revenues. Which brings me to my next point.

In the interest of sports and their governing bodies

Broadcasting and sport are symbiotic.

But the modern sports industry is built on business strategies that place enormous, fast profits above all else. This short-termism is one reason why there is such a high turnover of managers and coaches especially in football. Worryingly, the development in football shows all the characteristics of a typical bubble. I believe that in the long run this business model is unsustainable.



Media rights, sponsorship deals, gate revenues and merchandising are the major drivers of growth in the sports industry today.

It is not just about pay-TV networks spending vast resources to buy exclusive rights to properties that sports federations often bundle into multiplatform packages. All of these developments have injected oceans of money into the most popular sports events. And this has fuelled the absurd explosion of the salaries of many professional athletes – especially footballers.

Spending on media rights continue to rise, despite an ailing economy. But there are signs that things might change. Some federations have to work much harder to maintain their current financial position. Sponsors increasingly want clearer evidence of a return on their investment. Many broadcasters are in financial difficulties. Most of them can't refinance the cost of sports rights and production with commercial revenues. So sports rights are simply treated as a marketing expense. This is not the foundation of a sustainable partnership.

If free-to-air broadcasters start to skimp on sports (or have to) there will be less coverage, sponsorship revenues will fall and the production quality will suffer. But there are other worrying developments as well: Where the big money is, dodgy betting, match fixing and other shadowy deeds are never far away.

As a rule, the fans couldn't care less about ballooning salaries of star players, provided they can afford a ticket to the match, their team wins and their club stays afloat. But according to Pricewaterhouse Coopers, just 20% of Europe's leading football clubs manage to turn a profit.

Last but not least, there is mounting tension between sports bodies and regulators over keeping the playing field reasonably level in financial terms. Regulators want to keep sports exciting and competitive, but rich clubs are spending their way to success.

In my view, this is an extremely precarious scenario. It is comparable to the property bubble, the dot com bubble and what has happened to the music industry and its megastars. Many of them have just priced themselves out of the market. The music still exists, the stars still exist, but the industry has changed dramatically. Admittedly, the sports industry protects

copyright more effectively. But, all in all, this is bad for the game.

This is just one of several reasons to protect the free-to-air broadcast principle in the interests of sports. And here is another.

In many countries it is the taxpayer who underwrites the sports industry. Moreover, in many countries it is public money that builds or largely supports the facilities where the sports take place.

I believe in many cases the public deserves free access to the sports that it has paid for in the long-run. I am not against free-market principles; nor am I a socialist. But I believe there is a need for more regulation of media coverage to protect national interests and domestic sports.

Listing ensures that sports do not become an exclusive privilege, that they remain available to everyone. A free-to-air requirement on sports that are on this slippery slope would put the brakes on and restore some common sense. But listing cannot stop the sports bubble from growing.

In the interests of society

Sport can have such a positive impact on society that it is, without question, in the public interest to show sports on free-to-air channels. It has a unique power to unite societies; to engage massive numbers of viewers personally and emotionally.

Football is a great leveller. Like all sports, it bridges social divides and creates healthy commonalities. Sport is about fair play, hard work, respect. Crucially, sport encourages youngsters to get active. And in doing so, it teaches them values that are fundamental to successful societies. Remember: if the young don't get switched on to sport, there can be no next generation of sports stars.

Sport can do so much more than just entertain – provided it is open to *everyone*.

Not only *should* Public Service Broadcasters continue to be a part of that, but it is their intended purpose to do so.

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