

Thoughtful, creative planning will put new normal into focus

By Ed Desser and John Kosner

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“Crisis” derives from the Greek word “krisis,” which means “turning point in a disease.” While all of us hope for medical breakthroughs signaling the end to the COVID-19 scourge, we have no assurances right now. What we do have is time and with summer finally here, our recommendation is that all of us make the best use of this once-in-a-career opportunity to put ourselves and our properties on firmer ground. From a rights/property holder perspective, we think you should focus on the following:

Phase One: Re-Think. Have you put your most pressing problems into priority order? With revenue prospects down, how best to trim expenses? What do your media and sponsorship agreements state in terms of force majeure, and compensation adjustment procedures? How best to maintain these vital relationships? We are just beginning to understand the ramifications of COVID from a media rights perspective. Anticipate some form of renegotiation ([see SBJ 5/18/20 “Follow the Money”](#)).

But your people are central to keeping things together. Who are your most critical personnel, what are their key issues in this

environment, and how do you keep them close and secure? What are you doing to complement Zoom communication? Who are your most vital customers, including fans and media partners, and what are you doing (communications, engagement) for them during this time out? Are you using idle production capacity to help your media partners fill their huge un/under-programmed expanse of airtime until games more fully return later this summer?

In the midst of your team's extended "home stand," we suggest planning and organizational opportunities. Do some long-term planning: Think about reorganization/streamlining to focus on high-return future opportunities. Three practical topics: (1) What is the status of your media agreements? What do you want these to be going forward – including whether or not you're looking to expand your direct relationship with your fans? (2) How are you set up across existing and emerging social media platforms? Have you identified and connected with your sports' key influencers? These will be even more important post-COVID; and (3) Where are you with your betting strategy? State-by-state betting legalization and mobile betting are likely now to accelerate as states need new revenue sources and fewer people will be going to casinos for the time being.

Phase Two: Re-opening. Maybe you're already open, maybe the time is coming soon. In-venue issues are vexing and both league and local governmental requirements are subject to change. Have you done the exercise to determine your capacity with 6-foot separation (e.g., killing every other row, and 1-2 of every 3 seats in occupied rows)? How you can maintain distance in concourses? One-way hallways or lane dividers? Your requirements for fans to wear face masks or bandanas (a new licensing and/or sponsorship opportunity?!). New security personnel or procedures? Arena surface cleaning measures? Are there new "doors" procedures you will need to implement, such as

temperature checks at security screening locations, fan entrance and egress schedules, additional social spacing for fans waiting in entrance or concession lines, changes in concession and usher hygiene operations?

If or once you're back, how can fans otherwise access your property (linear TV, streaming video and audio, highlights, social media)? Expect more changes in fan expectation here. A unique COVID challenge is creating community around your team/sport if people can't attend live. (We suggest tech to make "studio" sports more entertaining, improving your app, adding "Zoom Watch Parties"). Can social distance be achieved in a TV truck? Another challenging issue is generating attention, audience, advertising, traffic, and sales when all sports come back at once — the scenario we expect to see by late summer.

Phase Three: Re-build. The "new normal" is hard to imagine at the moment. Still, there are new processes that everyone is using now that you can implement going forward, such as (1) More work from home for employees and customers; (2) Video conferencing for league and team events; and (3) Use of newer technologies such as artificial intelligence for video highlights, live remote production, REMI and "truck in the cloud," enhanced live viewing applications to both improve quality and lower costs, voice applications for hands-free experiences. ([see SBJ 4/13/20 "A new reality powered by AI"](#)).

Mostly though, we are encouraging you to think aggressively and creatively. Are there businesses you should consider exiting (e.g., retail, restaurants) or transitioning to online only (box office, elimination of paper tickets)? Going forward, should your league consider a more unbalanced schedule and/or MLB-style (multi-games with a single opponent) home stands that cut down on travel and better protect player health? Game presentation adjustments to align with the new environment. And, of course, new sponsorship

categories? The “Heat Check” seems too obvious to us! Official cleaning materials, gloves, N-95 masks and disinfectants.

We don't know how much longer the current fanless sports hiatus will last or how severe the results will be long-term. Our training is to expect the difficult and prepare accordingly. We do believe our outcomes will be better if we can take advantage of this summer to plan, reorganize and prepare to emerge energetically. What better opportunity than a long holiday weekend to give it some thought? Sports fans, and all citizens, need a return to a sense of normalcy which sports will provide again. We hope soon.

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