

OPINION

Crossing the sports media Rubicon — one year later

BY ED DESSER AND JOHN KOSNER
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Sports media “crossed the Rubicon,” a point of no return, with last year’s exclusive **Amazon NFL** Thursday streaming deal ([SBJ, Dec. 5, 2022](#)). Our [May 22, 2023, SBJ column](#) noted more tectonic changes that had taken place early in the year. And Amazon Prime Video’s first NFL Black Friday game provided a fitting bookend to a year of increasingly interconnected, furiously changing events ... or perhaps it came with news that Mark Cuban is selling a majority stake in his beloved **Mavericks**?

Witness all that happened in 2023:

- On Black Friday, Amazon sported dynamic ad insertion, live commerce with an NFL shield QR code, AI overlays, multiple synced 4K feeds (including targeted “altcasts” — e.g., Dude Perfect), generating an audience seven years younger than the other NFL carriers. Amazon’s bold reinvention of sports (now adding exclusive NASCAR Cup races too) reminds us of Fox’s 1994 NFL coverage debut.
- Thus, it’s not coincidental that **Apple** (with **MLS** ... and **Lionel Messi!**) and Google/YouTube (with NFL Sunday Ticket) finally staked out their exclusive positions in sports media. Among other things, **Google** wanted NFL IP for its 15 million **YouTube** creators, an entirely new criteria for rights negotiations.
- On Nov. 14, Netflix got into the act ... kind of ... streaming a live celebrity golf event. More profoundly, SBJ’s John Ourand reported that the world’s leading streamer is interested in the **NBA**’s In-Season Tournament, and Amazon wants **NBA** playoffs. Are these digital giants aggressive rights buyers or ... more likely, eager to use their vast user bases and online video stores to be tax collectors for fans and rights holders searching for each other in an increasingly fragmented landscape? Certainly, they’re all after the growing pie of sports TV advertising, the last bastion of scale audience for marketers available simultaneously and universally across all age, ethnic and economic demos. On Nov. 19, Disney’s Hotstar drew a record 59 million concurrent viewers for its free coverage of the Cricket World Cup.
- In July, Nielsen ominously reported a first: Broadcast and cable TV dropped below 50% of total TV usage despite its addition of out-of-home measurement, helping goose sports TV ratings (by 40% for NFL Thanksgiving). Meanwhile, Amazon and Netflix each have more subscribers than cable (almost as many homes as broadcast nets). Still ...
- Charter shocked us by dropping **ESPN** and ABC in several markets, including New York, during the U.S. Open and at the start of college football season, yet ultimately hewing to the old script by settling for a new deal by the debut of “Monday Night Football,” giving it access to certain Disney streaming assets but maintaining ESPN’s packaging. Nonetheless ...

- Cord-cutting accelerated as higher prices and lower quality hurt traditional pay TV (**Comcast** lost 12% of its video subscribers this year, 490,000 last quarter).
- With traditional linear pay TV (for four decades, sport's bank and megaphone) in jeopardy, rights holders and buyers wonder where the money and exposure is going to come from now (hint: almost all leagues now have exclusive streaming packages).

The fallout was swift and brutal:

- The 108-year-old Pac-12 conference imploded in August; Pacific coast mainstays Cal and Stanford decamped to the Atlantic Coast Conference, and rendered the Rose Bowl collateral damage.
- Bankrupt Diamond Sports, and the RSN economic model (other than major market networks) teetered with **MLB** retaking local rights for the **Padres** and **Diamondbacks**. WBD threw in the towel on its four RSNs. The **Suns**, **Jazz**, **Coyotes** and **Golden Knights** moved to a combination of over-the-air (with multicast and low power) TV stations and streaming.

Will Rubicon 2024 mark the end of the 60-plus year MLB, NBA, **NHL** local broadcast model?

- Enter Saudi riches. The kingdom invested over \$100 million into MMA upstart PFL and then staged the stunning Tyson Fury-Francis Ngannou boxing/MMA crossover fight. In June, they signed soccer megastar **Cristiano Ronaldo** to a reported \$220 million contract, elevating the Saudi Pro League. Now they are set to become FIFA's biggest sponsor (\$1 billion annually with Aramco) and likely 2034 FIFA World Cup host. Most shocking, LIV Golf and the **PGA Tour** agreed to agree to stop fighting in court and form a joint venture on the course and boardroom.
- LIV's first rights holder, the CW broadcast "netlet," added the ACC, NASCAR Xfinity, "Inside the NFL," WWE's NXT and now has more live sports hours than any broadcaster other than the Big Four.
- Just as the 1999 Women's World Cup put U.S. women's soccer on the map, so did last summer's WWC for the rest of the world. Spain won but England's Lionesses almost stole the show. Meanwhile, the **NWSL** forged new agreements with CBS, ESPN, Amazon and Scripps.
- The NCAA Women's Basketball Championship Final drew a stunning 9.9 record rating on an April Sunday afternoon on ABC. Holy NIL! Caitlin Clark now has her own **Allstate** commercial! The **WNBA** is the ultimate beneficiary.
- Hagiographic athlete "documentaries" and all-access series flooded streaming services. Today, sports is practically "The Truman Show." It's meta. Want to see the actual "behind-the-scenes" moment when golf pros found out about the proposed PGA Tour-LIV-DP World Tour merger? Season 2 of Netflix's "Full Swing" was shooting then!

At the recent SBJ Media Innovators conference, our former NBA colleague Bill Koenig said, "What's exciting — and a bit daunting — is I think that over the next five years, you'll see more change than you've seen in the last 30 years in media."

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