

# Sports Slogging Through Cruel Summer of 2020

By Ed Desser and John Kosner

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**B**ack in March, the NBA led a series of “postponements” and the sports industry hunkered down with the hope that play could resume over the summer. Sports has experienced a lost season (NHL) and shortened ones before (NBA, NFL and MLB), but had never been entirely “on hiatus.” Now, we’re midsummer, and the restarts have begun (motorsports, golf, MLB and, most recently, the NBA and NHL, so far successfully in their respective bubbles). Amid the progress, however, the nationwide spike in COVID-19 infections is feeding a new crisis. On July 22, Bloomberg opinion columnist Joe Nocera wrote under the headline, [“Covid-19 Has the Power to Break the Sports World.”](#) Back on May 1, ESPN published an economics study that found: “The sudden disappearance of sports will erase at least \$12B in revenue and hundreds of thousands of jobs, an economic catastrophe that will more than double if the college football and NFL schedules are wiped out this fall by the coronavirus pandemic.”

The 11-figure scenario may be upon us this fall. Here’s why:

### **1. The precariousness of staging sports during COVID-19.** In

the Wall Street Journal on July 16, Notre Dame Athletic

Director Jack Swarbrick reported: “We’re mid-July and the trends are the wrong way ... it’s the environment around us collapsing.”

Notre Dame is arguably the most storied school in college football, the only one with its own broadcast TV agreement, and yet it’s already lost games with Stanford, Wisconsin and USC. It will even (gasp) play in the ACC!

### **2. Sports is in a period of profound uncertainty – and that uncertainty only goes one way.** Stanford

University, with perhaps the nation’s leading intercollegiate men’s and women’s sports programs (and huge endowment), unilaterally eliminated 11 sports. And this was two days before the Pac-12 joined the Big Ten in announcing a conference-only college football schedule. Pro and college leagues, schools and organizations are subject to frequently changing federal guidelines, individual state mandates and issues, and international decisions including managing quarantine orders. On July 18, Canada forbade the Blue Jays playing MLB games in Toronto this season, and in a Bills reversal, they will call Buffalo home.

### **3. Challenges abound.** Among them: long-distance travel (a result of bigger and more consolidated college conference TV agreements); the vagaries and expenses of necessary testing (per the WSJ, the NFL’s 2020 COVID-19 testing plan could run approximately \$75M); PPE and cleaning for both practice facilities, stadiums and arenas. Keeping everyone safe is harder and harder, especially with all of the professional and collegiate teams in states where COVID-19 is on the rise — Florida, Arizona, Texas and now California. Last week, Pac-12 and SEC student athletes challenged their conference leadership on the efficacy of return-to-play plans. Of all the sports, golf appears the best situated to “play through” as the sport already lends itself to distancing and revised plans still call for no spectators.

**4. The unprecedented nature of COVID-19 on sports.** The first existential crisis for the sports industrial complex. Even during World War II, when sports stars went to war and the U.S. rationed food, Major League Baseball continued to play (thanks to FDR, and women's teams made famous in the movie "A League of their Own" picked up the slack), the World Series was played and fans attended. Today, sports is a multibillion-dollar enterprise built on long-term contracts and planning cycles. COVID-19 is upending, compressing and extending everything.

**5. Perishable events and revenue.** Yes, the strongest sports leagues (the NFL) could conceivably power through COVID-19's first and second waves (having the benefit of generating the majority of revenue from media — but facing the challenge of a sport that features heavy-breathing men piled on top of each other for significant, repeated periods of time), extending their season into the spring of 2021, if necessary. But most other sports, including college this fall, are facing cancellations of perishable events, such as the 2020 NCAA basketball championship. The financial implications are calamitous. Two sports — college football and men's basketball — finance almost all the other intercollegiate programs and both are in jeopardy; the tournament pays the NCAA's annual operating expenses!

**6. The Ramifications of COVID-19 on sports.** Today everything is interconnected. The sports industry is not just owners, players, TV networks, TV distributors and facility owners, but all of the people who work behind the scenes and all of the businesses interconnected are affected. What does State College, Pa., look and feel like without Penn State football?

**7. A changed and limited sports fan experience.** What does the betting industry look like without football season? According to Sponsor United CEO Bob Lynch, there are approximately 450 advertising brands highly active in sports — the Super Bowl is its own phenomenon. Anheuser-Busch can sell you beer at home as

well as at the pub, but with bars closed or re-closing, videos have surfaced of proprietors and brewers dumping expired kegs down over-taxed sewers because they can't serve them to customers.

**8. The psychological impact of COVID-19 on sports.** What happens if the eagerly anticipated fall collision of virtually all major sports doesn't fully happen? Will MLB fans steeped on the game's traditions and unique statistical history embrace the 60-game season and its expanded playoffs? Will MLB's already teetering non-bubble plan last that long? Not only is the sports hiatus unprecedented but also today's fans have virtually unlimited internet entertainment to fill their time. There is Netflix and an ever-expanding array of subscription VOD services (Peacock is the most recent addition). Perhaps, most important, is the rise of free, user-generated powerhouses like TikTok, Snap and Instagram. COVID-19 is a daunting adversary for sports, but the bigger, longer term threat is the free content algorithms driving social media platforms, especially among young fans.

Still, nothing matches sports' unique ability to command attention and galvanize communities. Society misses sports desperately right now, and ratings are thus high.

In the Cruel Summer of 2020, sports faces both the immediate challenge of returning to play and then the even harder work necessary to restore itself to its historically dominant place in our culture amid upheaval in both the media business and society at large.

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