



INTRODUCTION – ELON UNIVERSITY

January 17, 2013

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In the span of 30 years, the television rights to the ACC have increased from \$1 million to approaching \$250 million per year. Given that most of the major conferences have added membership to expand their geographic footprint, all major conferences have seen dramatic increases in rights as the value of live televised sports have become recognized by networks, especially ESPN and FOX. The economics of television have changed with most of the population getting their television programming from cable and satellite providers. The cable or satellite provider collects fees from each TV household. The sports rights holders are paid a portion of these fees collected by each provider. This guaranteed revenue allows the rights holder to pay significantly more money to colleges and athletic conferences.

Another factor that increased the value of sports rights was the fact that live games were viewed by advertisers as “record proof” since viewers wanted to watch the games live which assured that commercials would be seen and not skipped through as is the case with many recorded entertainment programs that are viewed later in the day or week.

In addition, advancements in technology have also played a major role when digital platforms enabled sports events to be seen on everything from computers to tablets to phones. This has increased the value to rights holders, and subsequently, to colleges and conferences.

Finally, with the addition of high definition television pictures, coupled with higher ticket prices for attending games, the experience of viewing a game on TV or on a digital device can be more entertaining and cost effective than attending the game in person.

At sometime in the near future technology may allow colleges and conferences to televise all their sports events directly to their fans, bypassing all third party providers and networks. The colleges and conferences would then be able to retain almost all the revenue from the viewer.