

THE BUSINESS OF SPORTS MEDIA

ADV 348S, PR 348S, J 348G

Moody College of Communication
University of Texas at Austin

SYLLABUS & COURSE OUTLINE

Spring 2019

Thursdays, 4:00p.m.-7:00 p.m.

Location: CMB 2.102

Instructor:

Mark S. Pannes, *Teaching Fellow*, Center for Sports Communications & Media (CSCM),
B.S. UT, J.D. Fordham Law

Telephone: (512) 222.7464

e-mail: mpannes@utexas.edu

Teaching Assistant:

Peter Northfelt

Telephone: (480) 294.8145

e-mail: peter.northfelt@utexas.edu

Office Hours and location

Before or after class by appointment; other times by appointment as our mutual schedules allow; my office is located on the third floor of CMB (Room 3.110) for drop in.

Mr. Northfelt's TA office hours: TBD

This is a team lecturer-taught class. In addition to Mark Pannes, lecturers this semester include:

- **Michael Cramer**, *Senior Fellow*, Center for Sports Communications and Media (CSCM), BA University of Albany, JD Marquette
- **Bryan Perez**, *Teaching Fellow*, CSCM, BA UT; JD/MBA, Stanford; President and CEO of AXS

Description:

Major professional and amateur sports exist today as very large businesses. The rights to broadcast games, matches, races and events are sold for billions of dollars and the revenues they generate underpin the entire sports ecosystem globally.

The course is designed to provide students with a basic understanding of how the business of sports media operates both as a business generating revenue and content and as a provider and disseminator of information and critique.

The course will be primarily lecture and discussion of key topics and issues involved with the business of sports media with various guest speakers from sports/media entities that have an impact in this area.

This course will examine the many facets of the business of sports related media including over the air television, cable, satellite TV, print, radio, social media and internet based, the business models that each of these types of media use, the challenges to such models and the changes that are likely in the future and the impact of such media on sports presentation and development, professional franchises, colleges and conferences and the consumer. It will trace the historical development of sports as social phenomenon and the essential role that media has played in shaping and building its role in domestic society and international relations.

Objectives:

The student who successfully completes this course will ideally be able to:

1. Understand the reasons for the growth of sports as key part of American society and culture, and the central role that media has played in that growth.
2. Apply basic terminology and fundamental theories/principles of the sports and sports media industries.
3. Understand the key parties, relationships and business models in the sports media ecosystem
4. Identify and understand the key role that sports and the media has played in American society.
5. Understand how sports and the media can shape political discussion and political behavior
6. Develop your own theories on the use of sports and the media as a means for future social change and the implications of such power and ability by these institutions.

COURSE OUTLINE

Approach:

This course will be comprised of fifteen (15) sessions plus exam week with each individual session being approximately three hours (3.0) in length. Due to the length of each class, the course will be designed to include a mixture of lecture by the principal instructor and guests, group discussion, periodic quizzes and other in-class challenges.

Class Preparation:

1. It is expected that each student will be prepared to participate in lively, intelligent and professional discussion. This includes listening respectfully to all.
2. Reading assignments and homework must be done prior to attending class so that everyone will benefit from an in-depth discussion of issues.
3. All written assignments are to be typed. Spelling, grammar, and punctuation must be of professional or business standard. You must use a recognized citation standard when referencing the works of others in your written submissions.
4. All cell phones and pagers will be turned off prior to class. Laptops are permitted but such privileges may be rescinded in the discretion of the instructor if laptops are used for other than class use.

Attendance:

Students are expected to attend every class which is critical to the success of the course. As noted below, a large part of your grade will come from in class activities. Students are to be prepared to start the class session on time.

If for some reason you are unable to attend class, the student is expected to inform the instructor via email prior to class.

Being absent or late for class may result in a reduction of your grade for the course. If a student misses a class for any reason, it is the responsibility of the student to be informed of the materials covered during the class. Each student is encouraged to find a "class buddy" who can share information, handouts, and assignments.

Academic Integrity and Standards:

Students are expected to uphold the highest standards of academic honesty and integrity in all course activities and assignments. It is expected that there shall be no deception regarding the representation made by the student of his/her preparation, participation, or performance.

Plagiarism is a form of fraud. Proper acknowledgement makes the difference. Plagiarism is presenting another person's work as though it is one's own. Plagiarism is the presentation of a sequence of words, from another writer, quoted without quotation marks and presented as one's own work. It is crucial that acknowledgement of sources be accurate and complete. This includes citations of all sources on written assignments. The instructor uses various tools to determine if plagiarism has occurred.

The remainder of the course requirements and policies relating to cheating and plagiarism are subject to the standard policies and procedures for all UT-Austin students as established by UT-Austin.

University of Texas Honor Code

The core values of The University of Texas at Austin are learning, discovery, freedom, leadership, individual opportunity, and responsibility. Each member of the university is expected to uphold these values through integrity, honesty, trust, fairness, and respect toward peers and community.

Documented Disability Statement

The University of Texas at Austin provides upon request appropriate academic accommodations for qualified students with disabilities. For more information, contact Services for Students with Disabilities at 471-6259 (voice) or 232-2937 (video phone). Also, see <http://www.utexas.edu/diversity/ddce/ssd/>

Use of Canvas in Class

In this class we use Canvas — a web-based course management system with password-protected access at <http://courses.utexas.edu> —to distribute course materials, to communicate and collaborate online, to post grades, to submit assignments, and to give you online quizzes and surveys. You can find support in using Canvas at the ITS Help Desk at 475-9400, Monday through Friday, 8 a.m. to 6 p.m., so plan accordingly.

Feedback Statement (to encourage students to respond to your requests for their feedback) and University Course Evaluations

During this course, I will be asking you to give me feedback on your learning in informal as well as formal ways, including through anonymous surveys about how my teaching strategies are helping or hindering your learning. It's very important for me to know your reaction to what we're doing in class, so I encourage you to respond to these surveys (including completing university course evaluations), ensuring that together we can create an environment effective for teaching and learning.

Use of E-Mail for Official Correspondence to Students

Email is recognized as an official mode of university correspondence; therefore, you are responsible for reading your email for university and course-related information and announcements. You are responsible to keep the university informed about changes to your e-mail address. You should check your e-mail regularly and frequently—I recommend daily, but at minimum twice a week—to stay current with university-related communications, some of which may be time-critical. You can find UT Austin's policies and instructions for updating your e-mail address at <http://www.utexas.edu/its/policies/emailnotify.php>.

Religious Holy Days

By UT Austin policy, you must notify me of your pending absence at least fourteen days prior to the date of observance of a religious holy day. If you must miss a class, an examination, a work assignment, or a project to observe a religious holy day or for travel related thereto, I will give you an opportunity to complete the missed work within a reasonable time after the absence.

Behavior Concerns Advice Line (BCAL)

If you are worried about someone who is acting differently, you may use the Behavior Concerns Advice Line to discuss by phone your concerns about another individual's behavior. This service is provided through a partnership among the Office of the Dean of Students, the Counseling and Mental Health Center (CMHC), the Employee Assistance Program (EAP), and The University of Texas Police Department (UTPD). Call 512-232-5050 or visit <http://www.utexas.edu/safety/bcal>.

Emergency Evacuation Policy

Occupants of buildings on the UT Austin campus are required to evacuate and assemble outside when a fire alarm is activated, or an announcement is made. Please be aware of the following policies regarding evacuation:

- Familiarize yourself with all exit doors of the classroom and the building. Remember that the nearest exit door may not be the one you used when you entered the building.
- If you require assistance to evacuate, inform me in writing during the first week of class.
- In the event of an evacuation, follow my instructions or those of class instructors.

Do not re-enter a building unless you're given instructions by the Austin Fire Department, the UT Austin Police Department, or the Fire Prevention Services office

Q drop Policy

The State of Texas has enacted a law that limits the number of course drops for academic reasons to six (6). As stated in Senate Bill 1231:

- "Beginning with the fall 2007 academic term, an institution of higher education may not permit an undergraduate student a total of more than six dropped courses, including any course a transfer student has dropped at another institution of higher education, unless the student shows good cause for dropping more than that number."

NOTE:

Moody College Writing Support Program

The Moody College Writing Support Program, located in BMC 3.322, <https://moody.utexas.edu/students/moodywriting> offers one-on-one assistance without charge to students seeking to improve their professional writing in all fields of communication. We have specialists in Journalism, RTF, CSD, CMS, and PR and Advertising. In addition, we offer workshops to strengthen core writing skills in each field and to inspire students to strive for excellence. Students may book half-hour appointments on our website or drop in for assistance during all stages of the writing process.

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Grading and Evaluation:

Grading is cumulative throughout the semester. Every point counts toward the final grade. Individual assessment will be based on attainment of up to 100 points with the number of points assigned to each means of grading and method of evaluation as listed below. These points may be modified slightly over the course of the semester. For example, a point may be added to the Midterm and a point subtracted from Quizzes. Point totals are as follows:

<i>Written Assignments</i>	<i>16% (16 points)</i>
<i>In Class Quizzes</i>	<i>20% (20 points)</i>
<i>Midterm Exam</i>	<i>29% (29 points)</i>
<i>Final Exam</i>	<i>20% (20 points)</i>
<i>Final Take Home question</i>	<i>15% (15 points)</i>
Total Points:	100% (100 Points)

A. Periodic Written Assignments are due as assigned. The specifics of each assignment will be discussed in class and/or on Canvas but will generally be focused on current issues/news involving sports media as presented in the current issue of the *Sports Business Journal*. Each assignment may require the student to consider outside sources to perform an analysis of the question presented. An analysis is not a reiteration of the remarks by the author. An analysis is a concise, cogent reflection clearly articulated and supported with examples, and connected to course-related theories.

Format:

1. These analyses are to be up to but no more than 750 words, maximum, appropriately referenced. Any content over the maximum limit will not be reviewed and the assignment will be graded on the first 750 words only.
2. Students must provide a word count in writing at the conclusion of each assignment.
3. Each writing submitted for credit in this class will be judged not only on reasoning and content but on the quality of the writing style and grammar as well.
4. Late assignments may be turned in after discussion with and receipt of the approval of the instructor or the Teaching Assistant but the maximum grade that may be received for a late assignment is one half the credits. All such writings shall be submitted through Canvas, pasted into Canvas, not attached
5. Grades will generally be posted to Canvas within two weeks of assignment submission by students.

B. In Class Quizzes. We will have periodic (4-5) Quizzes in Class dealing with assigned readings and SBJ weekly readings. Notice will not normally be given of such quizzes. Additional details to be discussed in class.

C. Mid Term Exam. A Midterm exam shall be given between weeks 7 and 9. It will consist of a number of some combination of multiple choice, true/false, short answer and similar type questions and will cover material assigned and lectures given through the date of the exam.

D. The Final Take Home Question. Students will be asked to draw upon the various course readings, SBJ articles and other material used or assigned and in class discussions and lectures to express an understanding of a topic or topics involving the business of sports media. The final assignment will be multiple questions, each with a maximum of 300 words, appropriately referenced. The standards set out above for **Periodic Written Assignments** shall apply here as well.

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E. Extra credit. Extra credit lectures or other extra credit opportunities may be available and will be posted and/or discussed in class.

1. **NOTE: You accumulate points over the course of the semester by completion of all of the above graded activities. Maximum points available equal 100 (plus any extra credit). If you miss any of the graded activities or fail to complete or submit them, the points associated with those activities are forfeited and as such, will impact your final grade.**
2. **Class Participation & Overall Engagement:** this is essential to highly effective learning. In appropriate cases, students may earn up to 2% (02 points).
3. **EXTRA CREDIT OPPORTUNITIES ARE ENTIRELY DISCRETIONARY; EXCESSIVE CLASS ABSENCES OR ANY INDICATION OF ACADEMIC DISHONESTY WILL RESULT IN THE IMMEDIATE ZERO-ING OUT OF ALL POSSIBLE EXTRA CREDIT POINTS IN ADDITION TO ALL OTHER APPLICABLE PENALTIES.**

F. Grading

Under the plus/minus grading system of the university, grades will be calculated using accumulated points from graded activities as follows:

Semester-long Accumulated Points (Includes Extra Credit Points)	Grade
100-93	A
92.9-90	A-
89.9-87	B+
86.9-83	B
82.9-80	B-
79.9-77	C+
76.9-73	C
72.9-70	C-
69.9-67	D+
66.9-63	D
62.9-60	D-
59.9-0	F

Required Reading Materials

1. There will be a **Coursepak** that is available for this course. It contains mandatory readings. It will be available by **Monday, 28th January, 2019** at **Jenn's on Dean Keeton and Guadalupe**.
2. Students will also be expected to familiarize themselves with current relevant news and events regarding the business sports media as news breaks. As such, it is strongly recommended that students read the *New York Times*, *Washington Post*, and the *Wall Street Journal* on an active basis.

3. Further, ***The Sports Business Journal (SBJ)*** is a mandatory weekly read (starting in week 3) and is an invaluable source of current information. Details will be given about SBJ in class or in a posted Announcement in Canvas.
4. We will begin using SBJ in the second week of class so you must subscribe or have SBJ available before your second class. Articles and material of current interest to a topic being discussed in class will be assigned periodically throughout the semester.

Course Plan

Important Note re: Class Prep/Readings:

We significantly reduce the amount of SYLLABUS LISTED course readings for the 2nd half of the semester. Frankly, the industry is moving so fast and the topics are so relevant and fast-evolving that we will be posting the readings closer to the semester mid-way point. This may result in a second Coursepak, or a series of linked articles (TBD).

We may also publish Links WEEKLY for the next class, so please check in regularly to ensure you are up to date on course prep.

Session 1 (24th January)

Orientation to class/Review Syllabus; Introduction to the basics of the Business of Sports Media (Mark Pannes w/ Bryan Perez via Skype)

- Review Assignments; Grading criteria and presentations as well as expectations
- Review Coursepak and additional resource materials
- Discussion of other relevant, current materials and their use in and relationship to the course;
- Introduce Teaching Fellows Michael Cramer and Bryan Perez and discuss their involvement in the course
- A peak at how sports media dollars drive sports
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- **Readings for session:**
 1. Sports Illustrated, “*The Year in Sports Media: 2018*”

Session 2 (31st January)

Continuation of Basics of Sports Media (Michael Cramer)

- Introduction to Over the Air (or Broadcast TV) Television and relationship to sports
- The History of Sports Media
- Introduce the beginnings of and key concepts in TV generally such as Retransmission Consent and relationship to sports media
- Ratings and Share; Importance
- Other government\League rules such as Blackout policy
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- **Readings for Session:** Coursepak: Articles
 1. Rushin, “*There and Back*”

Session 3 (7th February)

Introduction to Cable and Satellite TV and the emergence of Digital Platforms (Mark Pannes)

- The origins of Cable and Satellite TV
- Impact on the Business of Sports Media
- The business models of cable and satellite TV operations
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- **Readings for this session:** Coursepak: Articles
 1. Ourand, *"Cable Vision: Kay Kaplowitz"*

Session 4 (14th February)

National Networks, Niche Networks and New National Networks (Mark Pannes)

- The Rise and Dominance of ESPN
- Fox Sports 1...Can it challenge ESPN?
- NBC Sports, CBS Sports and Turner Sports: Niche players or real competitors?
- HBO and Showtime. Real competitors?
- Yahoo Steaming NFL in 2015
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- **Readings for this session:** Coursepak: Articles
 1. Wier: *"Why ESPN is Failing,"*
 2. Ourand, *"Taking the Pulse of ESPN"*
 3. Thompson: *"ESPN's Plan to Dominate the Post-TV World"*

Session 5 (21st February)

Overview of the largest Sports Media companies; Rights Agreements; The Importance of sports TV content; Radio (Mark Pannes)

- Discuss the proliferation of Rights Agreements
- National Rights Agreements: The parties to these agreements
- Packaging of Rights Agreements; out of market packaging
- Major sports and Minor sports. Are all helped by rights deals?
- Radio as a continued force in sports media
- **Readings for this session:** Coursepak articles:
 1. Ourand, *"Big Leagues Still Have Most Leverage in Media Rights Deals",*
 2. Adgate, *"The Sports Bubble is Not Bursting",*
 3. Ross, *"The History of Satellite Radio"*
 4. Owens, *"The Coverage of Sports on Radio"*
 5. Niesen, *"The Spirit of St. Louis" from Sports Illustrated"*
 6. Waldstein, *"Trying to Outrun the Cardinals' Long Reach"*

Session 6 (28th February)

Regional Sports Networks (RSN's): Part 1 (Bryan Perez)

- Review the history of regional sports broadcasts
- Discuss evolution of the business model from the POV of three parties – Teams, Networks and TV Distributors (both Over the Air and Cable/Satellite)
- ESPN and the acquisition of Fox Regional Networks
- Discuss Houston Astros/ Houston Rockets efforts with Comcast and challenges as example of team owned RSN's and the pros and cons of startup and operation of same
- Orioles/Nationals issue

RSN's: Part 2 – the Rise of the Cable and Satellite Companies

- Discuss Cable vs. Satellite competitive advantages/disadvantages
- Los Angeles Lakers/Time Warner Cable transaction
- Los Angeles Dodgers TV deal as new form of franchise valuation and resulting impact
- Los Angeles Clippers deal as TV driven; valuation of sports teams and the media
- AT&T/Direct TV Merger. What does it mean to consumers and sports business?
- **Readings for this Session:** Coursepak articles:
 1. Ourand: "*The Numbers Don't Lie. When Lebron Signs, Local RSN Wins.*"
 2. Bucholtz "*Fox Executives Discussing Buying Back RSNs from Disney*"

Session 7 (7th March)

The Rise of Athlete-Directed Media (Mark Pannes)

Readings for this session: Coursepak articles:

1. Chaddha, "*The New Face of Sports Media*"

Session 8 (14th March)

League and Conference Owned Sports Networks: Which is the best\correct model? Is there a correct model (Bryan Perez)?

- Discussion of the launch and growth NFL Network, MLB Channel and the NBA Network
- The NHL and MLBAM
- Discussion of the business models of each and the pros and cons of same
- Fallout from the LHN: College football restructure
- The economics of college football and ESPN
- The SEC Channel: Learning from and improvement upon LHN
- **Readings for this session:** Coursepak articles:
 1. Staples: "*Why WWE Network Deal Could Signal a Way Forward for College Football*"
 2. Ourand, "*Is Oversaturation Hurting (NFL) Ratings?*"
 3. Smith, "Lights. Camera.ACtion!"
 4. Smith & Ourand, "The complicated case of the Pac-12 Networks"
 5. Smith & Ourand, "Big Ten Network's Survival Story"

Second half of Class: MIDTERM EXAM

Session 9 (28th March)

The curious case of the Longhorn Network. (Michael Cramer with a Guest Speaker: TBD)

- Discuss the formation of LHN.
- The LHN as a business from the standpoint of ESPN, the Consumer, The Cable Operator and UT: Who gets what?
- Alternatives to the LHN. Was this good for either party?
- Tiered Rights agreements

Readings for this session: Coursepak articles:

1. "License Agreement between UT and ESPN and IMG";
2. Lucia, "What Does the Future Hold for the Longhorn Network?"

Session 10 (4th April)

Legalized Gambling: The Reshaping of North American Sports Media? (Mark Pannes)

- The state of sports wagering prior to and post the US Supreme Court *Murphy vs NCAA* decision from May 2018.
 - Discussion of the new legal landscape and how various states are reacting.
 - Review of the implications to traditional media broadcast formats.
 - Examination of the new sports gambling media content providers and formats.
 - Forecasting the potential impact re: rights fees, sponsorships and advertising markets in sports.
- **Readings for this session: to be posted**

Session 11 (11th April)

eSports as an (THE?) Emerging Media Powerhouse (Bryan Perez)

Readings for this session: Coursepak articles:

1. Gray, "The Explosive Growth of eSports"
2. Shultz, "Are You Game? Behind the Rise of eSports and What It Means for Brands"

Session 12 (18th April)

Global sports: Not just an American model (Mark Pannes)

- Introduction to sports around the globe outside of the big four North American leagues.
 - Discussion of global media companies: Dominance of News Corp generally
 - The Olympics
 - The largest global media properties
 - League media deals: Collective vs individual club selling
 - Media and sports teams' valuations: Premier league as case study
 - EU anti-trust rulings impact on nation by nation selling
 - Cross pollination of sports by region/culture and the role media plays
- **Readings for this session: to be posted**

Session 13 (25th April)

The Future of the Business of TV; The Impact on Sports Media (Messrs. Pannes, Cramer and Perez)

Going “a la carte” with pay TV; the internet as an unbundler\

- If the bubble bursts, the impact on sports
- The economics of pay TV
- Comcast and its ambitions; failed deal with Time Warner
- **Readings for this session:** Spangler, Todd, “*Big Media, Silicon Valley Battle for Multibillion-Dollar Sports TV Rights*”, Variety; Smith, Aaron, Skinner, James, “*Over the Top: The Future of Sports Broadcasting Business Models*”, Parts 1 & 2 Institute for Sports Business, Loughborough University (London), May 17, 2018
- Review alternate distribution channels and potential conflicts with traditional media
- Rise of mobile and its effect on TV viewership and the in-venue experience
- Google, Netflix, Apple, You Tube and the challenge to TV
- Netflix as case study

Reading for this session: Coursepak articles:

1. Spangler, “*Big Media, Silicon Valley Battle for Multibillion-Dollar Sports TV Rights*”
2. Smith & Skinner, “*Over the Top: The Future of Sports Broadcasting Business Models, Parts 1 & 2*”

Session 14 (2nd May)

The Industry Players (Michael Cramer)

- A discussion of the personalities who run the biggest media companies in the world of sport and how their decisions and relationships impact individual sports, competitions, and, fan bases.

Readings for this session: Coursepak articles:

1. “*Twenty for 20: Most Influential Sports Executives*”

Session 15 (9th May)

Wrap-up and conclusions (Mr. Cramer Shows You NO ONE Does It Like Dear Old Dad)

- Review of material issues
- Discussion of key terms in the business of sports media
- Review key topics in sports media
- **Readings for this session: to be posted**

FINAL EXAM IN CLASS

There will be a FINAL TAKE HOME QUESTION due about a week after last class

- see Assignments and Grading above