



# The three things that will impact the Business of Sports Broadcasting, on the Road to 2010

The sports television industry has experienced tremendous growth in India over the last decade, evidenced by the number of channels in this space today. When I started working in India in 1994 there were only two; now there are almost 10. That's really saying something when you consider there is a limited amount of live sport available for broadcast. Internationally it is unusual to see more than two or three national sports channels – eventually I see this happening in India too. In the meantime, the sports television industry is confronted by several key challenges and opportunities.

The most pressing issue facing sports broadcasters today is the disconnect between rights fees, especially for cricket, and revenue. The current gap has put the industry into an unhealthy state. Cricket supply should be oriented towards quality, not quantity; the annual cricket schedule must be stable and visible; rights fees need to bear a relationship to their financial underpinnings; and the structural change towards greater revenue transparency in the distribution side of the business must continue.

Second, an extremely positive development is the broadening of interest levels in sport across the country. It is wonderful to see the increase in viewers and participants in sports like football, tennis and golf, to name a few. Until date, sports channels in India have been completely reliant upon cricket, while in

other markets there are multiple sports around which you can build a business. Obviously, we would like to have a more diverse portfolio of popular sports to showcase, and we as broadcasters play an important role in making that a reality by providing exposure for varied sports and rising stars.

A third challenge facing the sports television industry, and frankly everyone in television, is how to leverage the ever-expanding content dissemination technologies. Whether it is the growth of older distribution methods, such as analog cable, digital/addressable cable, or direct to home satellite, or new technologies such as HDTV, IPTV/broadband or mobile TV, the sports broadcasters must be ahead of the curve. They must be the best at creating, producing and packaging content in the required fashion for each type of content delivery. This is not just about differing technological specifications; it is also about understanding how the content is consumed by the end user.

I am very bullish on the future for sports channels in India. Current anomalies will over time be addressed, and the long-term trends economically and in sports augur very well. As in anything, the competition will be fierce and the strongest will survive.

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