

The battle to be seen – the impact of current media legislation on sports broadcasting

What is the future of sports broadcasting in Australia who makes up the rules and who gets to decide who goes out to play? Jo Hogan, Director of Vintrix International, examines the current state of play and the Internet's potential as a broadcast medium for sporting organisations.

Technological developments have seen the advent of Pay TV, Digital Television, Internet video streaming and datacasting (Internet on TV). With these changes taking place faster than a speeding puck on ice, who or what is carving out the playing field for sports broadcasting in the future commercial television stations, sport itself, viewer demand or Government?

These issues become evident when examining the Australian Government's anti-siphoning list, a list that was born out of a concern that TV viewers would have to pay for televised programs considered to be of "national importance and cultural significance" and which had traditionally been broadcast for free.

When submissions were called for by Government regarding who should and who shouldn't be on the anti-siphoning list, only 14 responses were received. These were from the ABC, AFL, Fox Sports, FOXTEL, Australian Grand Prix, SBS, Sport Industry Australia, Tennis Australia, Trans World International, the WNBL, Ron Edwards, Dr Janet Woollard MLA (Bowls Australia), the Confederation of Australian Motor Sports and the Federation of Australian Commercial Television Stations (FACTS).

Six submissions represented the Broadcasting Industry covering all the major TV broadcasters. Of all the sports bodies in this country only six sports were represented directly, one MLA presented the case for Lawn Bowls and one was an independent submission. If sports are expecting greater media coverage then why weren't there more submissions coming from sport?

Perhaps people were not aware of the process involved. Their sport may not have been on the list...so what relevance did it have anyway? Or have the majority of sports given up on the cause because they feel they cannot win?

It is interesting to note that the ABC recommended that the Women's National Basketball League and Netball be placed on the list, yet came close to axing them

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from their broadcasting. In the submission from the WNBL to the government, the WNBL outlined its reasons for oppos-

ing its inclusion on the anti-siphoning list because "in practical terms this will fetter our power to negotiate the most effective broadcast mix for our sport".

So who is telling whom what is required and who should be speaking on behalf of whom? And who is controlling sports content - the sport, the broadcaster or the viewer?

In 1999, when Vintrix International produced a Women's Sport program for the Internet, 1.3 million viewers from around the world tuned in. From where did this audience suddenly spring? Why would they tune into the Internet and not TV? By utilising another media platform, the market expanded from a national audience to a worldwide audience. A virtual community was created based upon the interactive nature of the program. The appropriate sponsors and/or advertisers would have to be happy with that level of exposure and it provides us with new sta-



Interest technology allows coaching and training information to be more easily accessed.



New media market opportunities would offer some alternative to sports that do not receive free-to-air broadcast coverage. Photo: Allsport

tistics to consider regarding the interest in the area of women's sport.

The larger commercial sports can afford and to some extent are protected from the impact of being on the anti-siphoning list because there is sufficient demand for their product to support both pay TV and free-to-air broadcast rights.

But what options are available for the expansion of market opportunities for sports outside this group? An opportunity for these sports is provided by the Internet and with it video streaming and datacasting, and discussion and attempts to regulate datacasting have already commenced in earnest between government and traditional broadcasters.

In a time where the majority of sports do not receive a high level of free-to-air broadcast time, and pay TV being limited by what it can afford to broadcast, the sports industry must collectively look at new media strategies to forge the development for all sports. Australian sport needs to become involved in discussions on new media regulations so it is not excluded from new media market opportunities. This applies in particular to the sports that do not receive regular broadcast on free to air, as the internet can

offer sports a fresh medium and a cost-effective alternative to free-to-air TV, and at the same time capture a global market.

In 1998 the Television Broadcasting Services (Digital Conversion Act 1988) laid down some basic rules on how the television broadcasters would introduce digital television. They would be loaned, free of charge for eight years, additional spectrum to broadcast in both analogue and digital while they transferred across to digital.

Digital broadcasting commenced in 2001 and by 2004 television stations must broadcast in digital to all regional communities. When digital television is introduced, any spare spectrum will be auctioned off to people who want to use it for other purposes including the transmission of datacasting services. Television broadcasters would not be allowed to bid in the auction, but they are allowed to use any loaned spectrum for datacasting when they are not using it for TV. Datacasters – those who are not also a television broadcaster - will have to buy their spectrum at auction.

Television broadcasters are not allowed to use their digital spectrum for multi-channelling (the provision of multiple

separate programs) or for providing pay television. However the ABC and SBS will be eligible to operate as multi-channelers. No new television broadcasters will be allowed until 2006. Community television will be broadcast in digital in conjunction with datacasting services.

After being heavily lobbied by free-to-air players and in order to distinguish between broadcasting and datacasting, the Australian Government has defined datacasting services and placed restrictions on the datacasters in relation to the provision of content. For example, datacasters can only show 10 minutes of headline sports bulletins in moving video format. Datacasters will not be allowed to show programs such as current affairs, drama, sporting programs and events, music infotainment and lifestyle programs. In effect, the Australian Government does not seem to want datacasters to be able to provide the traditional programs that we already have on television.

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This could be seen to be a compromise by the Australian Government as a part of their strategy to entice free-to-air to take up the expensive digital TV conversion and alleviate fears from traditional broadcasters that datacasters will become major broadcast competitors.

While this is occurring the ABC experimented in August 1999 with multimedia and television producers were creating their plan for interactive TV. The ABC's digital datacasting experiment enabled a viewer to decide what they watched. They could swap from normal viewing to interactive viewing. A viewer could watch the news, record a program, watch other programs, access the ABC website or just click on a map of the 48 regions that receive the ABC and watch news from all around the country. Imagine if the content for this type of viewing included regional sport programs - live web-streaming of the women's gold medal rowing win in Switzerland, a sports panel show, and

coaching and training content for coaches around Australia? A few of the media players have seen the potential of streaming media on the Internet and what datacasting without the limitations could do. Hence their strong lobbying to government in late 1999 and 2000.

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However with the Government's mind made up and the restrictions to program content and datacasting in place, by April 2001 the government was ready to auction to the potential buyers of datacasting licences spectrum.

The strict definitions of datacasting turned away many initial potential datacasting licence bidders. By the time April had arrived there were only two national players, Telstra and NTL. NTL is a company that transmits airwaves and would prefer other companies to buy the licence so they can offer transmission licences to them. Telstra reluctantly stayed in the race, perhaps to save the Government from humiliation over the poor response to the datacasting auction.

The Government thought they would make great profits from the sales of these licences. According to journalist, Adele Ferguson "if the government had allowed datacasters to look more like television, they could have fetched more than \$50 million". Instead, these two national bidders according to Ferguson "would not have paid any more than \$10 million for each licence....if it had gone ahead". It is believed that the three TV networks value their licences at book value of about \$1 billion. The auction was cancelled and all is back under review.

So what does all this mean for sport?

As things currently stand, if the government was to relax the datacasting licences there would be another platform for sport to display its wares upon. Australian sport could be delivered to the global audience via the Internet in streaming video format, through the Internet via the television and a set top box and package moving video with text information and e-commerce strategies on the Internet.

With the auction cancelled and government currently reviewing the state of play, there is a prime opportunity for sport to become involved in the datacasting sports broadcasting debate and to look towards shaping its own future by becoming more aware of the issues involved with datacasting.

With the changing front of broadcast platforms, no-one really knows what the future will look like, however what is known is that there will be greater viewer choice. The introduction of digital technology enhances the capacity for different platforms to deliver sport and distribute rights across a number of multiple platforms and various price ranges. An expansive market of right holders therefore have the potential and incentive to maximise revenue by distributing their product across a number of delivery systems.

The relationship between cultural and industry development, competition and digital economy is complicated by the absence of an explicit industry policy objective. Anti-competitive regulation comes at a high cost to producers of sport content. It provides limits to the potential markets. It is vital that Australia places cultural and social policy objectives at the heart of a broadcasting system designed for a convergence environment.

Sport Industry Australia is aware of the importance for sport to have a voice in this matter in determining the future of sports broadcasting. SIA and the Australian Interactive Multimedia Association (AMIA) have joined with Vintrix International in delivering three workshops in Brisbane, Sydney and Melbourne. The workshops will bring together players from the sport, television and information technology industries in order to develop constructive recommendations for government to consider in the

creation of future platforms for sports broadcasting.

To submit your expression of interest in attending these forums contact vintrix@vintrix.com.au or phone 03 9531 6668.

DEFINITIONS

Datacasting – Data services that combine text, pictures and video. They will be delivered over the airwaves, using digital broadcast frequencies. You will need a set top box to receive the signal.

Convergence – Combination of both new and existing media – broadcasting, cable fibre optics, satellites – into one integrated system for delivery of video, voice and data.

Web TV – Internet over the TV. Using an infra-red keyboard and a set top box. The TV becomes a simple computer. The system can be used to add simple interactivity to broadcasts.

Digital TV – Since January 2001 the networks have commenced digital broadcast in tandem with their analogue signals. Digital Broadcasts use the radio frequency spectrum more efficiently and can carry a great deal more information. That means sharper, clearer pictures.

Streaming video – Video which is watched over the Internet in real time as it is received. Files are not compressed and downloaded.. You do not have to wait until the whole program is available to stream on the Internet. You see it as it happens. Streaming can be either live or delayed and is difficult to copy from the Internet.