

By Mark E. Goebel

# *Sports on Television: Watch Out For Cable*

**Cable networks have made covering sports a \$700 million industry. And they just keep growing.**

**C**able sports networks, both nationally and in the New York region, have grown beyond the wildest hopes of the industry's founders. From tens of thousands of viewers less than twenty years ago to tens of millions today, cable has become a force in sports telecasting. And it is beginning to show on the bottom line, as advertising billings on cable TV reached \$714 million in 1993, more than double what they were in 1988.

It's hard to imagine, but there was a time when the New York Yankees, Mets, Rangers, Islanders and Knicks could be seen on television only a handful of times a season. Now fans can tune into almost all those teams' games—both home and away—thanks to the growth of regional cable networks, like SportsChannel New York and MSG Network.

The granddaddy of them all, however, and the largest and best-known is ESPN, the 24-hour all-sports national cable network. Now owned by Capital Cities/ABC, but soon to be a part of the Disney empire, ESPN didn't start out as the sports broadcasting giant it is today. In the span of less than 15 years, ESPN has grown from a struggling channel for obscure sports, like log-rolling and pole-climbing, into a big-league power covering everything from women's college basketball to professional football.

In 1982, ESPN reached only 20 million homes and aired sports no one else wanted. The network's big break came in 1987 when it won a three-year package to telecast National Football League games with a bid of \$150 million—a bargain compared to today's costs. Subscribers signed up to watch Sunday night NFL games and ESPN was on its way. The all-sports network subse-





**MADISON SQUARE GARDEN NETWORK**

quently signed deals to telecast professional hockey and Major League Baseball, as well as college football.

As a result, ESPN has emerged as the industry kingpin, reaching almost 100 percent of cable homes and nearly two-thirds of American households with television sets.

ESPN's executives are so confident about the continued popularity of televised sports that they have embarked on several high-risk ventures. In 1993, the network launched ESPN2, a second 24-hour all-sports outlet intended to appeal to younger viewers. "Youth sports" such as surfing, snowboarding and beach volleyball are featured along with a heavy dose of NFL games and college basketball. ESPN has also moved aggressively to expand its foreign presence by entering the pay-per-view market.

While several cable networks such as HBO and TNT telecast major sporting events nationwide, no one has challenged ESPN head-on. That is about to change, as

two heavyweights of the broadcasting industry enter the fray. Tele-Communications Inc. (TCI), the nation's largest cable operator, and Rupert Murdoch's News Corp. have agreed to a joint venture to build a national sports network they hope will rival or outstrip ESPN. The joint venture gained some substance in November with a deal giving the two a major part of the television rights to Major League Baseball for the next five years. News Corp's Fox, which was a non-entity in big-time sports television just two years ago, now has a chunk of the broadcasting rights of Major League Baseball, the NFL and the NHL. Liberty Media, TCI's sports subsidiary, will contribute its 15 regional Prime Sports networks (to be launched again under the Fox logo), and a handful of national programs.

**Regional Sports Networks**

For the real sports fanatics, those that want to watch a game every night of the week, regional sports networks have been a god-send. These networks aren't putting on the air just any games, they are telecasting the home teams, the ones fans live and die for. In New York that means hundreds of games featuring local professional and college teams. New York fans are twice-blessed in that respect with more professional and college teams than any other region in the country and two cable networks, MSG Network and SportsChannel New York, broadcasting the games.

The man overseeing it all is one of the industry's pioneers, Charles Dolan, CEO of Cablevision, the owner of SportsChannel and MSG Network with partner ITT Corp.

Cablevision, with its \$1.07 billion acquisition this year of Madison Square Garden Properties (which includes the Rangers, Knicks and MSG Network) has edged closer to Tele-Communications Inc.'s Liberty Cable as the owner of the largest grouping of regional sports networks.

**S**portsChannel, Cablevision's first New York property, was founded in 1976 and is based in Woodbury. SportsChannel got its start broadcasting New York Islander games, but really gained momentum in 1978 when it acquired the rights to air a handful of Met games and began a 10-year relationship with the Yankees.

The network has added the New Jersey Devils (1986), New Jersey Nets (1983) and Seton Hall college basketball to its stable of teams and now broadcasts nearly 300 games a year.

SportsChannel also delivers Hofstra sports, Metro Atlantic Athletic Conference (MAAC) and other college basketball and football games. The network also broad-

casts nightly thoroughbred racing from New York and New Jersey as well as tennis, golf and a variety of sports series and specials. And just this year, SportsChannel signed an agreement which will allow them to broadcast 25 Big East basketball games each season.

All this has brought about explosive growth. SportsChannel now has 2.7 million subscribers and its area of services includes New Jersey and Southern Connecticut.

In 1993, it expanded to a 24-hour schedule. One year later, another channel, NewSport, a 24-hour sports news and information service, which in New York includes overflow games of the Islanders, Devils and Nets, was added to SportsChannel's offerings.

SportsChannel has also been an innovator in sports broadcasting. In 1988, Leandra Reilly became the first woman to handle play-by-play of an NBA game, calling two Nets games for SportsChannel. This year, the network won two local Emmy Awards for on-air promotional pieces "In the Game" and "Now What?"

MSG Network, the area's other sports cable network, is in its 27th year. It is the largest and oldest regional sports network in the country with 5.3 million subscribers and annual revenue in

excess of \$100 million.

The network, which debuted with a broadcast of the New York Rangers' home opener against the Minnesota North Stars on Oct. 15, 1969, initially only reached an audience of 18,000 cable subscribers in lower Manhattan. It had, however, a relatively robust schedule with almost 100 Knicks and Rangers games.

The Network began to expand outside Manhattan to other areas in the metro area during the 1971-72 season and also signed a five-year deal with HBO to carry the MSG package nationally. In 1985-86, Knick and Ranger road games were added to MSG Network's schedule.

MSG's biggest coup came in 1988 when it signed a \$500 million, 12-year agreement for exclusive rights to New York Yankee games, creating year-round live coverage. MSG has added a slew of other live sporting events to its schedule, including St. John's basketball (12-15 games a year), other NCAA basketball games, NCAA football and 20 tennis tour events. Other programming highlights include: weekly 30 minute shows on the Giants, Jets and Yankees; This Week in Baseball, NBA Action and Brut Hockey Week. Also weekly shows recapping news and highlights from MLB, NBA and NHL; and "MSG Sports Desk" a nightly 30-minute news show.

Thus, MSG has gone from a network that originally telecasted only Knicks and Rangers games to one that today provides seven hours of programming each week night and 14 hours a day on weekends.



**Mike "Doc" Emrick calls play-by-play action for Devils' games on SportsChannel.**