

# Sports in TV era

# Super Bowl champ of ratings

- Super Bowl vaulted from mediocrity in 1966 to the top-rated show on national TV by the mid-70s. BY 1980, more than half of all Americans watched the game.

# Why so popular?

- Elaborate fanfare
- Ceremony
- Roman numerals – link to pageantry and spectacles of ancient Rome.

# NFL takes top spot

- Millions still listened to baseball on radio and read about it in the newspaper. But TV vaulted baseball to its preeminent position.

# NFL's gains are MLB's losses

Reasons for shift:

- 1. General shift in urban leisure patterns. (After WWI, slums developed around many inner-city parks, causing fans to shy away.) Parks no longer part of the local neighborhood. Plus, people started to play and camp – tennis, golf, and kids in Little League.

# NFL's gains

- 2. Longer season. (So many games, or few crucial ones.) A single game had more meaning in the shorter (then 12-game) schedule.

# Baseball's losses

- MLB owners started broadcasting games more regularly and into areas that included minor-league clubs, which sent attendance spiraling.
- In 1940s, minor-league baseball had thrived. Between 1939-49, attendance grew from 15 to 42 million. In 1951, owners repealed ban vs. games being broadcast in minor-league areas.
- By '57, attendance dropped back to 15 million.

# Baseball's losses

- By 1969, attendance dipped to 10 million.
- Minor-league teams decreased from 51 to 20 between '59-'70 as well.

# Sports Broadcast Act

- Exempted sports leagues and teams from antitrust laws.
- Enabled sports leagues to negotiate TV contracts.

# Antitrust Laws

- **Free and open markets** are the foundation of a vibrant economy. **Aggressive competition** among sellers in an **open marketplace** gives consumers – both individuals and businesses – the benefits of lower prices, higher quality products and services, more choices, and greater innovation. The FTC's competition mission is to enforce the rules of the **competitive marketplace** – the antitrust laws. These laws promote vigorous competition and protect consumers from anticompetitive mergers and business practices. *Source: FTC website*

# Sports & Antitrust

- In '54 had tried to negotiate a 'Game of the Week' program but were concerned would lose unique status.
- After '61, sports franchises did not have to abide by these same antitrust laws, thanks to Congress.
- Some teams did broadcast games, allowing them to increase profits. Teams in smaller markets could not, meaning they lost profits and saw attendance decrease.

# TV contracts

- MLB eventually negotiated contracts with networks as well that increased profits to \$4 million per team by '83.
- In '90-93, teams earned \$14.4 million annually apiece, which was favorable to what the NFL teams earned from TV.
- But MLB teams could also negotiate locally. Teams like the Yankees earned \$41 million in '90 while the Brewers earned \$3 million causing competitive disparities.

# Baseball's loses

Major-league baseball also hurt by

- Eight work stoppages (strikes) between 1972-95.
- Tried to get back fans by relocating franchises, expanding into new markets and building new ballparks but never regained preeminence.

# 3 eras of modern baseball

- 1. Post WWII (1946-69)
- 2. Two-division era (1969-93)
- 3. Three-division era (1994-present)

# Post WWII era

- **Local population = success.** The teams with larger population bases won the most. Between '46-'69, the New York Yankees won 15 league titles in 17 seasons. The Brooklyn/Los Angeles Dodgers won 10.
- **Rules hurt game.** To speed game, umps instructed to expand strike zone, which caused hitting to dip. In '69, then countered by lowering the mound, which meant pitches not as effective. Then added DH in AL in '73.

# Two-division era

- No teams established dynasty between 1969-93. Bigger cities (population) no longer dominated. 23 of 26 teams captured at least a division title. **Reasons for shift** – 1. Number of teams expanded. 2. Amateur draft implemented (in '65). 3. Free agency ('76)
- Era also defined by relief pitching (and middle game specialists). No longer did pitcher complete 2/3 of all games like at the start of the 20th century.

# Three division era

- A third division created.
- Wild-card playoff team added.
- Interleague play added.
- More offense (more HRs) – thanks to steroids, smaller parks, weight training, diluted pitching, smaller strike zone.
- Success defined by payroll, not population.

# Pro football

- No leagues prior to 1920
- Teams scheduled own games
- Early club leagues were ethnic, Catholic and working class
- Blacks and Native-Americans were included
- Respectability problem – collegians snuck in to play, people played with aliases and some games fixed for wagers.

# NFL

- NFL formed in '22 after meeting in Canton, Ohio
- Not really profitable until the TV era. IN first 35 years, 40 teams joined and expired. Green Bay only small city to survive Depression. Paying to play carried stigma in football. 1st 5 Heisman winners never played pro football.
- Newspapers outside NFL cities ignored the league.

# NFL

- The NFL succeeded because of **superior management**. Owners agreed to delegate authority to a commissioner who had business experience.
- Commissioners like Bert Bell and Pete Rozelle created a unified economic cartel.
- Commissioners understood importance of TV to expanding the league

# TVs impact on NFL

- TV helped educate viewers on intricacies of the sport.
- Said one fan: “You watched a game on television and, suddenly, the wool was stripped from your eyes. What had appeared to be an incomprehensible tangle of milling bodies from the grandstand made sense. [Television’ created a nation of instant experts in no time.”
- TV also filled void during cold late fall and winter days – watch sports.

# Technology helps NFL

- Technological breakthroughs.
- In 1960s, had instant replays and slow-motion shots developed. Fans could watch a play develop or could dislocate a key block, tackle or key play.
- Color TV enabled bright uniforms to leap out.
- Live games, said some, seemed less exciting than those shown on TV.

# TV & Marketing

- TV also helped market the league
- The '58 game between the Colts and Giants enabled millions to watch a classic championship game.

# Business sense

- NFL avoided gross disparities in revenue. Visiting teams received 40% of gate receipts.
- Teams split TV revenues equally. As Browns owner Art Modell said: “We are 28 Republicans who vote socialist.”
- 1961 Sports Broadcasting Act enabled these TV contracts to escalate and make everyone happy.
- Developed draft (worst teams got top picks)
- AFL and NFL merged, created Super Bowl

# TV contracts

- In 1977, \$656 million for 4 years from the networks (\$6 million per team)
- In 1982, teams received \$14.4 million per team
- In 1987, contract stayed same (some problems – teams moved, Rozelle retired and Jones challenged revenue sharing)

# NFL's audience

Game most appealed to

- College educated
- Suburbs
- Professionals
- Higher than avg incomes

*In bureaucratic country, does NFL now emulate culture of the country?*

# Packaging NFL

- TV timeouts (no fewer than 14 to allow commercials).
- Monday Night Football emerged as an event
- In '70s, created more hoopla like in college
- In '80s, scantily-clad cheerleaders the norm

# NBA & TV

- Until 1950s, NBA languished. At this time, started to outbid local AAU teams for players, which increased talent of the league.
- In 1960s, TV also helped this pro league emerge. Attendance increased from 2 million to 10 million in late '70s.
- TV coverage lukewarm. NBC dropped NBA in 1962 before ABC paid \$750,000 in '64.

# NBA's emergence

- NBA grew dramatically in 1980s. Bird and Magic emerged as sports' top stars in any league.
- Dream Team in 1992 Olympics drew int'l interest in NBA
- In 1996, one poll claimed NBA was twice as popular as football among 12 to 17-year olds.
- “Basketball is the MTV of sports,” said Sara Levinson (former president of MTV and NFL marketing director). “The way TV covers basketball, with quick cuts, the music overlaid – its much more like MTV [than football or baseball.]”
- Revenue sharing also helped stabilize the league

# NBA declines

In 2000s, TV ratings dipped

- Jordan retired
- Zone defenses (less one on one battles)
- Perceived problems of some players like Rasheed Wallace, Allen Iverson and Kobe Bryant.

