

Documents for the record – “TV Timeout: Understanding Sports Media Rights”

1. A January 29, 2024, letter from the American Hotel and Lodging Association expressing concern with NFL playoff games being limited to exclusive streaming services.
2. A January 31, 2024, statement of the American Television Alliance in advance of the hearing.
3. A January 31, 2024, letter from the streaming innovation alliance applauding the review of the sports media marketplace.



January 29, 2024

The Honorable Bob Latta (OH-05)
Chairman
House Subcommittee on
Communications and Technology
Washington, DC 20515

The Honorable Doris Matsui (CA-07)
Ranking Member
House Subcommittee on
Communications and Technology
Washington, DC 20515

Dear Chairman Latta and Ranking Member Matsui:

I am writing to you today on behalf of the American Hotel and Lodging Association (AHLA) to express our concern regarding NFL playoff games being limited to exclusive streaming services. This practice has had a negative impact on the American lodging industry, our guests, small business owners, and local communities.

AHLA has served the hospitality industry for over 110 years and is the national association representing all segments of the U.S. lodging industry, including hotel owners, franchisees, REITs, chains, management companies, independent properties, state hotel associations, bed and breakfasts, and industry suppliers. The American lodging industry comprises more than 62,500 properties, 33,000 of which are small businesses, that generate nearly \$75 billion in tax revenue at the local, state, and federal levels. The lodging industry is vital to the nation's economic health, supporting nearly 8.3 million jobs, equivalent to 1 in 25 jobs in the country, and generating \$300 billion in annual sales from 5.6 million guest rooms across the United States.

The NFL playoffs are a highly anticipated event, drawing tens of millions of viewers who seek to enjoy the excitement and camaraderie of watching these games together. However, limiting access to the game to a single streaming service effectively disenfranchises a significant portion of the traveling public.

Particularly concerning for our industry is that commercial operators were not informed of this arrangement until November of 2023, just before the playoffs began, leaving them little to no time to prepare. Many establishments invest considerable resources in providing guests with access to premium entertainment options, including sports programming. However, these exclusivity arrangements force hotels to either absorb additional costs or risk losing business and disappointing customers.

I urge the Subcommittee to closely examine the implications of exclusive NFL playoff game broadcast rights and consider the broader ramifications for consumers, businesses, and the hospitality industry as a whole. Thank you for your consideration on this issue. Please do not hesitate to let me know if we can provide any additional information.

Sincerely,

A handwritten signature in black ink, appearing to read "Chirag Shah", is written over a light blue horizontal line.

Chirag Shah
Executive Vice President
Federal Affairs and Counsel
American Hotel and Lodging Association

Statement of the American Television Alliance

January 31, 2024

The American Television Alliance (ATVA) appreciates the opportunity to submit this statement for the record to the Energy & Commerce Committee’s Subcommittee on Communications and Technology for the hearing entitled “TV Timeout: Understanding Sports Media Rights.” ATVA represents companies, associations, and public interest groups committed to ensuring the American consumer maintains access to affordable and robust TV programming options, including sports programming.

ATVA members want to provide their customers with the best service at the lowest prices possible, in the face of tremendous competition for video programming. This means providing the most and best sports available to those who want it at a reasonable price. It also means, to the extent possible, not forcing those who don’t want sports to pay for them.

But large programmers have made it increasingly difficult to do these things.

First, these large programmers—including broadcasters, Disney, Warner Bros Discovery, Paramount Global, etc.—continue to raise prices. Broadcasters, who claim to offer some of the most important sports programming “for free,” increased retransmission consent fees by an overwhelming 1,529%, since 2010. As broadcasters increasingly purchase sports rights (like the Suns, Jazz, Mercury, Golden Knights, and Coyotes), this will get worse.

Providers of cable sports programming like ESPN, TNT, and regional sports networks have also raised prices dramatically. According to *New York Magazine*, subscribers pay \$12 per month for the ESPN networks—or \$96 per year. This, perhaps, is why ESPN subscribership has fallen so dramatically, with the *Washington Post* reporting a 30 percent drop since 2013.

Worse yet, these large programmers insist on nearly universal penetration requirements. In simple terms, this means that *every* subscriber must pay these high prices, whether they care about sports or not. Our members can’t offer your constituents a cheap package of programming without sports because big programmers won’t allow us to do so.

So, if you wonder why your cable and satellite bills keep going up, wonder no longer. Sports programming and retransmission consent rates are the largest factors by far.

Yet these same large programmers are now either offering the same sports at a lower price on their owned streaming services, offering sports exclusively on those services, or both. Warner Bros Discovery, for example, now has its TNT and TBS sports programming on a Max “add-on,” which you can buy for \$9.99 per month. *We* can’t sell this programming for \$9.99 per month to those who want it, but *they* can. And we can’t offer some programming—like the Peacock-exclusive NFL playoff game earlier this month—at all.

ATVA members want what you want: reasonably priced sports programming available to those who want it. But we can’t do this without your help. We believe that it is past time to

modernize the laws that govern the media marketplace and ATVA remains committed to working with Congress to do so in a manner that ensures American consumers have affordable access to sports programming on reasonable terms. Thank you for holding this important hearing.

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January 31, 2024

The Honorable Cathy McMorris Rodgers, Chair
The Honorable Frank Pallone, Ranking Member
The Honorable Bob Latta, Communications and Technology Subcommittee Chair
The Honorable Doris Matsui, Communications and Technology Subcommittee Ranking Member

Committee on Energy and Commerce
U.S. House of Representatives
2125 Rayburn House Office Building
Washington, D.C. 20515

Dear Chair McMorris Rodgers, Ranking Member Pallone, Chair Latta, and Ranking Member Matsui,

The Streaming Innovation Alliance (SIA) applauds your review of the sports media marketplace and the increasing abundance of sports programming made available to American households by innovative, affordable video streaming technology and services. From delivering uniquely popular events such as professional football games to providing exposure for and consumer access to diverse and less well known sports, streaming video technology and services are delivering greater access to sports entertainment for American viewers than ever.

SIA is the united voice of the streaming community, working to tell streaming's positive story to state and federal policymakers. We seek to drive forward a new era of creativity, opportunity, value, and choice in home and mobile entertainment by advocating for smart policies that will support innovative streaming services and the viewers who love and depend on them. Our members are AfroLandTV, America Nu Network, BET+, discovery+, For Us By Us Network, Max, MPA, MotorTrend+, Netflix, Paramount+, Peacock, PlutoTV, Telemundo, Televisa Univision, VAULT, Vix, and The Walt Disney Company.

As Chairs Rodgers and Latta recently stated, "The introduction of streaming services, in particular, has expanded the options for people to choose where, when, and what content they view, including live sports." This expansion of options is not limited to live sports, of course, and streaming has now [surpassed cable and broadcast](#) as the most widely watched form of video in America. Consumers are choosing streaming because of the incredible value, quality, and diversity of programming available on modern digital services. **Recent [polling](#) shows that 70% of voters view streaming services favorably (including 36% reporting "very favorably"). And nearly 40% say what they value most about streaming is the variety of programming available.**

Because of its ability to efficiently deliver content, whether live or on-demand, sports programming is increasingly finding a home on digital streaming services. According to [Nielsen Fan Insights](#), 80% of sports fans, 76% of professional football fans, and 89% of soccer fans have regularly or sometimes watched sports on a streaming or online channel. [Major League Baseball](#), [Premier League Soccer](#), [Boxing](#), [Professional Wrestling](#), [Ultimate Fighting](#), [National Women's Soccer League](#), [College Football](#), and virtually every other major sport can be found on digital streaming services today.

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Streaming offers access to far more than just the most popular sporting events, providing a home for a wide range of competitions that do not regularly receive national broadcast or cable carriage – from [STREAMSTAK](#) offering darts, cornhole, billiards, cheer, and more to the National Federation of State High School Associations' [NFHS Network](#) offering thousands of live weekly events across 27 different high school sports.

This accessibility matters. For example, analysts [credit streaming](#) with “driving greater visibility for female athletes and competitions” and report that “coverage of women’s sports on streaming services was found to have increased by an average of 4,000 hours per year between 2018 and 2022.”

Even legacy over the air broadcast owner groups now stream sports. Sinclair, one of the largest broadcast television station conglomerates, offers “hundreds of hours of live tennis throughout the year” on [Tennis Channel Plus](#) and streams sports through its YES Network, Marquee Sports Network, and Bally Sports Regional Networks digital services. Nexstar, the largest consolidated broadcast television owner, will now be streaming portions of the LIV Golf League through its national [CW Network app](#).

The simple reality today is this: Audiences win with streaming, and so do sports leagues and players. This is true for famous and popular events and athletes, as well as for relatively obscure competitions and diverse audience interests. A recent [Deloitte study](#) found that “Streaming providers can also help grow the global audience for a sport, giving viewers in different countries easier access to sports they might not be as familiar with. . . . Streaming services could also provide new innovations around personalization, interactivity, and real-time data analysis.”

Streaming makes more sports available to more viewers. The rise of sports on digital streaming is delivering unprecedented value, opportunity, and choice to fans while giving leagues a host of new outlets and audiences. We encourage you to continue to support free market policies that sustain and strengthen the vibrant, dynamic, and highly competitive media landscape for sports.

Sincerely,

Streaming Innovation Alliance