

Opening Statement of Chairman Bob Latta
Subcommittee on Communications and Technology
“TV Timeout: Understanding Sports Media Rights.”
January 31, 2024
(As Prepared for Delivery)

Good morning, and welcome to today’s hearing on the state of sports media rights. I look forward to hearing from our witnesses who represent an array of perspectives that are vital to the industry.

Sports have the unique ability to bring together individuals from different backgrounds and unite in support of a common team. When we tune in to watch our favorite team, we recognize a sense of camaraderie with those who wear the same colors and cheer when we do.

In 1921, the first live sporting event was broadcast over the radio in the United States. As more Americans bought radios, sports broadcasting grew in popularity. In 1939, a baseball game between Princeton and Columbia was the first televised sporting event in the United States, kicking off the evolution to the sports media market we know today.

A major shift in this market began in the 1980s, when some sporting events transitioned from broadcast network stations to cable TV channels, such as ESPN. In more recent years, the pivotal shift has been the transition to streaming services.

The rise of streaming platforms has significantly altered the way we watch TV, sports included. Today, we can view nearly any game from anywhere.

Statistics show Americans' preferences are changing from the traditional broadcast and cable TV model as streaming becomes an accessible and affordable choice for Americans. Earlier this month, the NFL decided to show one of its playoff games exclusively on a streaming platform. This game was the most streamed event in U.S. history. At the same time, its limited reach made it the least watched NFL playoff game this year.

While Americans have unprecedented access to high quality content and a nearly unlimited number

of options of content they can consume, the amount of sports content available is fixed. The consumer demand for sports content, combined with its limited supply and the increased competition between networks, cable channels, and streaming platforms to carry sporting events has driven the cost of rights **up**.

Today's hearing is just the beginning of the discussion. Given the various changes in the industry, this hearing provides an opportunity for Congress to better understand this industry, and how it functions today.

I look forward to our discussion and thank our witnesses for their willingness to be here as representatives of the business.

I now recognize my colleague, the Ranking Member of this subcommittee, the gentlelady from California's Seventh District, for her opening statement.