

Committee on Energy and Commerce
Opening Statement as Prepared for Delivery
of
Subcommittee on Communications and Technology Ranking Member Doris Matsui

Hearing on “TV Timeout: Understanding Sports Media Rights”

January 31, 2024

Thank you, Chairman Latta. Just 10 days out from the Super Bowl, I couldn't think of a better time for this hearing.

As a continuation of our previous media marketplace hearing, I know these issues are important to our constituents. Sports are a foundational part of American life, and these issues have broad implications for fans and the economy. While the media market has changed over the years, one thing has remained consistent – Americans love their sports.

Sports, more than any other form of entertainment, are still the principal driver of TV viewership – last year, 97 of the top 100 most-watched broadcasts were sports events. The Super Bowl is the most watched television broadcast in the United States every year and last year's game was the most watched domestic telecast of all time.

This popularity means one thing – sports are still profitable. 30 second ad slots for last year's Super Bowl each netted \$7 million, and the NFL generated well over \$4 billion in advertising revenue in the 2022 season.

All of this success is occurring against a backdrop of a rapidly shifting media marketplace. Consumers have more choices than ever when it comes to the ways they watch their favorite sports. Streaming helps increase competition, drive down costs, and allow consumers to cut the cord if they want to. Rather than signing up for large bundles full of content many consumers aren't interested in, online video provides consumers a better chance to pay for everything they want and nothing they don't.

These services are also providing new avenues for diverse content to reach a wider audience. From rapidly growing leagues like the WNBA or women's NCAA volleyball to more targeted content like Major League Soccer and Formula One; streamers are creating new markets. But, while the proliferation of streaming has benefited consumers in many ways, it's also created new challenges.

The massive fragmentation of the sports media market means consumers must now sign up for multiple streaming services to get the content they want. And, in extreme cases, the ONLY way to watch big games is to sign up for the streamer who holds the exclusive rights to air the game.

While this phenomenon isn't new, consumers are worried about what it could mean for big games in the future. Being forced to sign up for a new subscriptions service for every playoff game is not what consumers want and not where we should be headed. Too many consumers – myself included – understand the frustration of flipping through app after app only to find out you need to buy a new subscription to watch the game.

And as annoying as that can be, it doesn't even begin to capture the anger consumers face when they realize the game isn't available ANYWHERE because of a blackout. It's not fair, and it shouldn't be happening. But, it's also important to remember the restrictions streamers face in distributing this content. They're subject to the terms dictated by major sports leagues.

So rather than focusing on any one game or specific incident, I think members of this Committee shouldn't lose sight of the broader market dynamics at play. That's why I'm glad we're having this hearing today. I'm excited to hear from our witnesses about the ways we can increase access and affordability of sports.

With that, I yield the balance of my time.