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The monthly e-newsletter covering the impact of technology on the business of sport

Feature: Playing by the rules: sports rights management - February 2007

The last few years have brought momentous changes to the media landscape, resulting in fragmentation across all media channels and viewing platforms, writes Andy Nobbs (pictured right), president of Teletrax. Advances in technology have caused the broadcast industry to experience rapid and dramatic transformation, with the introduction of new delivery and viewing platforms ranging from the internet to mobile phones. As consumers can now view content across a multitude of media platforms, so the way sports, news, advertising, programming and film content reaches audiences has been radically altered. There is no going back now.



Media fragmentation has created widespread disruption and confusion within the broadcast industry, and the numerous ways content is viewed affects its value and causes content providers increasing difficulty in keeping track of their video. With the proliferation of channels, content is delivered to much wider audiences on a global scale; however, the variety of devices on which to view content scatters and sometimes diminishes audience numbers in individual media platforms. Add to this the phenomenon of the rapid increase in user generated content and the availability to watch almost any video minutes after it aired, and you discover a media landscape in unprecedented flux, making it more difficult than ever for organisations to keep track of their video. Broadcast organisations across a wide variety of industries are facing the need for protection of their digital assets, and the sports industry is not immune. With the media landscape experiencing such fundamental change, sports rights and asset management has become top-of-mind for rights holders, distributors and broadcasters. Are sports organisations doing everything in their power to protect their assets? The most significant asset a sports corporation possesses is its broadcast rights, and it is important that these organisations keep track of their broadcast video so they can ensure their content is not being misused and their intellectual property is being protected and leveraged to best effect. Gathering intelligence on programming to determine who is using broadcast footage, and tracking where and when content is being aired is becoming mandatory. It's a price of staying in the game. Sports leagues face new challenges in adapting to the changing environment, as traditional business models no longer suffice in the new media world. In order for



these organisations to keep track of their programming, they need to embrace new technologies and services that can be used to their advantage. According to Research & Consultancy Outsourcing Services (RNCOS), the increasing worldwide demand for digital rights management software is expected to reach \$3.6bn by 2008, growing at a rate of 106%. Yet Apple CEO Steve Jobs (pictured right courtesy of Getty Images Sport, photographed by David Paul Morris) has overturned the proverbial apple cart recently by publicly stating the digital rights management (DRM) software is an unnecessary hindrance. This is a landmark event in the evolution of DRM and has triggered an explosive debate about the future of such content management technologies. A perfect solution in this instance is the application of digital watermarking technology. Digital watermarks are imperceptible and indelible codes that are inserted into video, enabling the content owner to keep track of its whereabouts.

Game On

Sports leagues can use watermarking technology as an asset management tool to provide them with crucial intelligence on their programming, such as where and when their content was aired. It can also provide information to help them understand usage preferences of their broadcasts, which will allow the tailoring of offerings if needed, give precise details of airing coverage to sponsors, and evaluate return-on-investment.



Consider what would happen if sporting events viewed worldwide such as the Olympics or the FIFA World Cup were to function without television coverage. Audience access to televised sporting events provide crucial promotional value and are one of the main factors in revenue generation for these events, contributing largely to the success of sports leagues and their broadcast partners. In spite of this, sports leagues have historically seemed little interested in protecting these assets, monitoring their use, or evaluating the return on their video-based assets.

Up until now, industries such as news, programming, music, motion picture and advertising have been utilising digital watermarking technology to track, monitor and protect their video content. The same issues apply to sports content owners who require fingertip control over their video assets to determine who is using their content and how. Determining what content is not used is equally important, and enables sports rights holders to look at the composition of their packages and ascertain which pieces of footage run as well as which do not.

Through the use of digital watermarking technology, sports leagues and their broadcast partners can immediately identify the misappropriation of televised assets. Watermarks serve as undisputed legal verification of ownership if the need for financial or legal remedies arises. If improper use of a sports telecast becomes evident, watermarks can enable the video to be tracked throughout its entire lifecycle. For instance, in March 2001, a federal court awarded the NFL \$2.6m in damages after discovering that Canadian broadcaster Primetime 24 had broadcast 180 games without permission between 1997 and 2000 (Source: Sport Business). With the use of watermarking technology, footage being used without permission is automatically detected, and can alleviate unnecessary costs and headaches for networks.

Intelligence gathering



broadcasters

and cable networks using original game footage in broadcasts. The intelligence gathered provides sports rights holders with the ability to automatically tally the exact amount of time of original game footage that was used in highlight reels, and to sort the data according to region, state, country, broadcaster, network or station group. Organisations can receive rapid evidence of live media coverage, which allows them to tailor offerings, improve allocation of resources and provide precise details of airing coverage to sponsors.

Watermarks are used in broadcast verification services, which in this instance, gather critical intelligence that allow sports leagues to better understand their audience and provide a unique service to sponsors about the impact and performance of their brand. Promotional value can be determined through the use of digital watermarks. Take into account the elements content owners and broadcasters need to consider in planning:

How much promotional value should be assigned to newscast highlights?

What is that memorable moment replayed in perpetuity actually worth?

What is the ROI on league-produced commercials, promotions and merchandising?

How much value does an individual player's product endorsement contribute to the team and the league?

The media intelligence gathered on video content reveals the hidden promotional value of a professional sport's televised assets. With the increasing fragmentation of the media landscape, sports rights management is a growing concern to rights holders. It is essential for organisations to keep track of their broadcast video so they can better understand the usage preferences of their broadcasters and audiences, and tailor offerings accordingly. Take, for example, a recent study, the 'European Sponsorship Market 2006', published by Sportfive in cooperation with Sport+Markt, which reports that more than 76% of corporations engage in sponsorship, making it the second-most pursued activity behind traditional advertising, which is at 88%. Of those firms involved in sponsorship, 86% are active in sports, which is by far the most popular field. With sports becoming a growing area of consideration for sponsors, it is becoming especially important for organisations to allocate more resources towards this market.

Content owners need to ensure their assets are being protected. Sports leagues can be faced with abuse issues, and rights owners need to have a clear idea of how their content is being used, whether legally or illegally. The implementation of a broadcast monitoring solution allows rights owners to monitor content use and evaluate commercial return-on-investment.

Emerging a Winner

Digital watermarking is a proven technology that is becoming increasingly widespread throughout the media, entertainment, advertising, news and sports industries. Digital watermarks, combined with a global monitoring network and broadcast verification service,

enable content providers such as motion picture and music studios, TV syndicators, news organisations, sports leagues and advertisers to exercise tight control over video assets and precisely understand content usage while alleviating the issue of security, without having to limit access to the content. It is increasingly becoming an intrinsic part of the broadcast chain and helps deliver increased revenue and improve return-on-investment.

About Teletrax

Teletrax claims to be the world's first global video broadcast monitoring and video asset management service. Launched in 2002, Teletrax provides clients with video watermarking services that enable them to precisely track and monitor where, when and how their content is being aired via cable, satellite and terrestrially. Clients can easily evaluate, respond to and manage broadcast information relating to their video content through Teletrax's web-based reporting tools. For further information see www.teletrax.tv.

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