**Global Trade in Media Products - Case study: Televising Sport Globally (ESPN)**

The global trade in cultural goods (films, television, printed matter, music, computers) has almost tripled between 1980 and 1991, from $67 billion to $200 billion and is growing at a rapid pace with the liberalization of these sectors across the world. The United States is the leading exporter of cultural products and the entertainment industry is one of its largest export earners.

***Television***

Most of the world's entertainment output is transmitted through television, which is increasingly becoming global in its operations, technologies and audiences. One of the most significant factors is the growth in satellite television, which cuts across national and linguistic boundaries, creating new international audiences. In 1998, according to the Screen Digest, more than 2 600 television channels were operating in the world, the majority of which were private channels. The number of television sets in the world has tripled since 1980, with Asia showing the highest growth. The potential of this market, especially in China and India, showing the levels of TV ownership and the penetration of cable and satellite television internationally. The volume of US trade in cultural products and its capacity to produce and distribute to an international audience ensure that US-based networks are the most prevalent in the global television system.

In most countries outside the USA, imported programming forms a significant part of the television schedule, making the USA a 'world provider' of television programmes. The main players in global television, ranked in terms of the number of households where these networks are available. US entertainment programmes - drama serials, soaps and shows, such as Star Trek, Baywatch, Friends, ER, and The X Files are shown on television channels all over the world. In addition, syndication companies also sell 'format rights' for programmes that are more nationally specific, such as game shows. The formats of such US-made shows as Family Feud and Wheel of Fortune have been adapted for production in many countries. Some genres of television, notably animation, music, wildlife documentaries and live sporting events, are relatively easy to sell into different cultural contexts. Wildlife programmes, for example, can translate easily into other languages, since they often do not have a visible presenter and therefore it is cheaper for voice-over track to be laid down.

The US-based Discovery network, making factual programmes about history, science and technology, art and natural history, is the key player in this genre. From its modest beginnings in 1985, it has grown to become the world's biggest producer of documentaries, reaching 144 million households in more than 140 countries. Half owned by Liberty Media Group, the Discovery Networks International (DNI), its international network and programme distribution division, includes Discovery Channel, Discovery Kids, Discovery Home & Leisure, and two joint-venture channels with the BBC - Animal Planet and People Arts. With 1999 revenues at $1.1 billion and its services being translated into 24 languages, Discovery was planning to launch a travel and a health channel as well as Discovery Civilisation and Discovery Science channels on a digital platform, which is estimated to increase the company's value to around $14 billion.

In addition, through its chains of Discovery Channel Stores it sells catalogues, videos, books and travel packages. National Geographic Television, which has a business partnership with NBC since 1996, and had its overseas debut in Britain in 1997, broadcasts to 54 countries, reaching 40 million households in nine languages. The History Channel, owned by the A & E Television, has a 50-50 joint venture with BSkyB in Britain. The Sci-Fi channel brings latest science and technology news and science fiction to viewers across the world. One reason for the international expansion of such channels is that most of their tailoring to local markets is dubbing and sub-titling and the content is portable and generally non-political. In the global adult TV market, Playboy TV International, is pre eminent. This joint venture between Playboy Enterprises and Latin American media giant Cisneros Television Group, owns and operates nine Playboy-branded channels, available in Latin America, Europe and Japan. The channel also has international rights to its huge programmes library of adult television material and it aims to set up new Playboy channels across the world.

The USA also is a major player in religious television, which is being increasingly commercialized and globalized. The Family Channel, which was launched in 1977, the first 24-hour religious cable network, as the Christian Broadcasting Network, and which since 1997 has been part of Fox Network, is a major player, along with the 24-hour Trinity Broadcasting Network, founded in 1973, and carried by thousands of cable affiliates in the USA, also owns, or is affiliated with, more than 530 broadcasting stations throughout the world. The Eternal Word Television Network, 'the global Catholic network' which claims to be the world's largest Catholic television, founded in 1981, now reaches more than 55 million homes in 38 countries in Europe, the Pacific Rim, Africa and the Americas. In Europe the biggest player is the British-based Christian Channel Europe, available in 22 million homes across 24 countries including Russia and countries of North Africa. Two major areas of international television are sport and popular music, which reach across national barriers of language and culture, delivering the largest audiences for US networks, ESPN and MTV. MTV, part of the media giant Viacom, is the world's most widely watched television network, which with its local and regional channels, dominates global youth music, while ESPN, with 24 networks is the global leader in sports television, claiming to reach 250 million households in 21 languages.

**Televising sport globally - ESPN**

A major factor in the expansion of satellite and cable television internationally has been television's unique ability to transmit live sports events. As a genre, sports programmes cut across national and cultural boundaries. Live coverage of a prestigious football league match is as much a media event in Cameroon as it is in the Czech Republic. Unlike films, which the consumers can rent from video outlets, the live nature of sports coverage makes it suitable for pay-television, a fact which media companies are using as an incentive for subscribing to pay-TV. Sport is increasingly becoming a major industry and advertisers are keen to exploit the reach of TV channels dedicated to sport. During the 1998 World Cup soccer some games were watched by over a billion people. FIFA which licenses the World Cup, sold the global rights for the 2002 and 2006 tournaments for $2.24 billion - in 1998 the same rights were sold for $230 million.

This reach is making television an expensive proposition. In 1949, the BBC paid just £5 387 for Britain's FA Cup, by 1998ITV paid $51 million for the same rights. Such has been the change that when FA Premiership announced a $6.17 billion five-year joint deal with BSkyB and the BBC it did not seem to evoke much surprise. The cost of global TV rights for the Olympic Games has increased ten-fold from the Moscow games of 1980 to Atlanta in 1996. As indicated by Table 4.6, only broadcasters from the media-rich regions can afford to pay TV rights for major sporting events like the Olympics. US networks have provided up to 75 per cent of total Olympic revenue from TV rights and production costs, with NBC being one of major networks to benefit from this commercialization of sport. One consequence of the soaring cost of rights for sports coverage is the creation of new contests by media giants. In 1998, the Milan-based Media Partners tried to establish a new European Super League football tournament and in the same year Manchester United, the world's most profitable football club, launched its own channel MUTV, jointly owned by BSkyB, Granada Media Group and the Club. For a major domestic sporting league such as National Football League (American Football) ESPN has signed a $2.2 billion annual fee sports rights agreement with ABC and Fox, for the period 1998-2006. The increasing commercialization and 'media-ization' of sport are also reflected in commercial sponsorship of the games and teams themselves. The 1996 Olympics in Atlanta, for example, set records by selling more than $1 billion in corporate sponsorship.

Merchandising such as baseball caps in the USA and football shirts in Europe, along with corporate public relations and cross-marketing have become an integral part of televised sports. Apart from selling company products, the trend is towards marketing of sport stars themselves. A US basketball player Michael Jordan has become an international icon by selling Nike shoes, while Indian cricket captain Sachin Tendulkar is the best salesman Pepsi ever had. A symbiotic relationship has evolved between global sport and the international television industry. Given the profit involved, sport networks have to find new and innovative ways to fill their international channels and keep the advertisers happy. ESPN, for example, is investing in promoting its X Games, started in 1995, featuring the world's top athletes in several sport categories. There are plans to expand the 'X' franchise with several events throughout the world - an Asian X Games Qualifier and a new Junior X Games, co-developed by the Disney Channel and televised by Disney around the world. ESPN International will televise six original hours from the qualifier on several networks. The Entertainment and Sports Network (ESPN) is the world's leading sports television broadcaster and one of the world's most profitable networks, 80 per cent owned by Disney Corporation, with the remaining 20 per cent owned by the Hearst Corporation. In 1999, it was reaching 242 million households across the globe.

ESPN has a share in the pan-European sports network Eurosport, of which it owns 33 per cent, the rest being owned by EBU, TF1 and Canal Plus, and reaching 80 million homes in 47 countries in Europe and the Middle East. ESPN's Latin American operation has a viewership of 9 million, while with its 50 per cent ownership of Star Sports, part of News Corporation, the ESPN network claims to reach nearly 91 million viewers across Asia. This global television audience is made possible by PanAmSat satellites which act as its global programme distribution network. ESPN's cable affiliates downlink its customized signals from five PanAmSat satellites, serving the USA and the Atlantic Ocean, Pacific Ocean and Indian Ocean regions. Apart from its highly popular domestic cable networks in the USA (ESPN, ESPN2, ESPN Classic, ESPNEWS - presents coverage of 195 live news events and press conferences each month), the network has been steadily increasing its global presence since it launched ESPN International in 1988. In 1999, ESPN International had 20 international networks and syndication, including - Sports-i ESPN (Japan), ESPN Asia, ESPN Taiwan, Sky Sports (New Zealand) and ESPN Australia. It owns 50 per cent of ESPN Brazil and one-third of Net STAR, owners of The Sports Network of Canada, and a quarter of Sportsvision of Australia. Syndicated programming from ESPN Radio is broadcast globally while Hearst Group distributes ESPN Magazine. ESPN.com is one of the most popular sport websites. In addition, ESPN also has a number of real and on-line shops, selling ESPN digital games, books, music, videos and CD-ROMs.

There is even an ESPN credit card and ESPN Visa card. The company has developed global strategies to exploit the explosion of channels on satellite television and the potential of multimillion-dollar sponsorship from transnational corporations, using television to promote their products. In the area of supplying sports news and features a key player is TransWorld International (TWI), the world's largest independent supplier of sports programming. In 1996, TWI launched a joint venture with AR Sports News Television (SNTV), a sports news video agency, which serves more than 100 broadcasters worldwide. Apart from promoting corporate products does the globalization of sports television have more significant ideological implications? It has been argued that televised sport can be used to further political aims. Given that ESPN is the world leader in televising sport, it is conceivable that only those sports that are sponsored by big corporations and of interest to the widest possible audience will be encouraged. The new global media-sport industry offers interesting sites for future research.