

## College athletics: OSU getting richest multimedia contract

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BY RITA PRICE

### THE COLUMBUS DISPATCH

Ohio State University is expected to announce today that it will join the growing list of college athletics programs that have sold media rights in exchange for lucrative multiyear contracts.

The Buckeyes' athletics program is the nation's biggest, and so is its deal: IMG College and RadiOhio will pay OSU \$110 million over the next 10 years in the largest multimedia-rights guarantee in collegiate sports.

OSU athletics director Gene Smith likened the benefits to a steady paycheck during uncertain economic times. "We're solidifying our long-term financial stability through this revenue stream," Smith said.

The department never has outsourced such a huge package, Smith said. IMG now manages Ohio State's publishing rights and RadiOhio controls radio rights in deals worth, collectively, a little more than \$3 million a year.

The new arrangement guarantees an average of \$11 million a year in exchange for the rights to manage and market publishing, radio game broadcasts and coaches' shows, and television that is excluded from Big Ten Conference and NCAA contracts.

The agreement also includes corporate sponsorships, signs, on-site marketing and coaches' endorsements.

IMG and RadiOhio make money by selling advertising and sponsorships.

Smith said the athletics department has been making about \$6.3 million a year through its in-house marketing efforts. It also will save about \$18 million over the next decade in costs.

Smith expects to use the extra money to pay down debt on facilities, create a reserve fund for maintenance and restore much of the \$1.2



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**"We're solidifying our long-term financial stability through this revenue stream." — OSU athletics director Gene Smith**

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"We'll be able to go back to fully funding those programs," he said.

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IMG College, a division of the sports-and-entertainment media company IMG Worldwide, has similar deals with Texas, Florida, Michigan and Tennessee, among others.

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"It's clearly a trend," said Tom Stultz, a senior vice president at IMG College. "What the universities find is that, by outsourcing this, they can get a steady revenue stream without the risks."

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Stultz said IMG wanted to merge its global reach with RadiOhio's local expertise.

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Oller's blog](#)

The agreement comes as RadiOhio marks its 25th year broadcasting Ohio State sports programs, said Dave Van Stone, president and general manager of RadiOhio.

"Listeners won't notice a change, which is good," he said. "We're still going to have the same people doing what they've been doing -- the same good stuff."

Van Stone said the agreement provides "a one-stop resource for everything" related to advertising and sponsorships for Ohio State athletics.

OSU's current contract with RadiOhio runs through 2015. The new agreement supersedes that, running from July 1 through 2019.

RadiOhio is an affiliate of The Dispatch Printing Company, which publishes *The Dispatch*. RadiOhio is a member of the Dispatch Broadcast Group, which includes the Ohio State Radio Sports Network, WBNS-AM and WBNS-FM, the Ohio News Network-Radio and the Radio Sound Network. Other members of the Dispatch Broadcast Group are WBNS-TV (Channel 10), the Ohio News Network, and WTHR-TV and the SkyTrak Weather Network in Indianapolis.

Smith also said fans won't notice much difference, save for a LED ribbon board, an electronic messaging device for advertisers, likely to be installed in Ohio Stadium.

"We'll have to study that because we don't want to infringe on the history and tradition and the aesthetics our fans enjoy," Smith said. "We like a clean look."

The company likely will be aggressive in seeking a profit, said Paul Swangard of the University of Oregon's Warsaw Sports Marketing Center.

"The biggest danger with these contracts is that there's a number sitting there," he said, referring to the \$11 million-a-year guarantee. "In essence, IMG has to get to it. How they do that presents challenges."

A push toward more-expensive advertising from national companies could squeeze out some local sponsors, he said.

"It goes to show the growth, and the growth potential, of collegiate sports," Swangard said. "And Ohio State has set the new standard."

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