

## Postponed College Football Games Could Disrupt \$1 Billion in TV Ads

Fox and Disney, which owns ESPN and ABC, prepare to take another hit from a pandemic that has already affected them with shutdowns and delays.



By Tiffany Hsu

Aug. 12, 2020

The postponement of much of the college football season could disrupt the flow of more than \$1 billion from advertisers to the television networks that count on a slate of game broadcasts every fall.

The return of the college game — a reliable ratings draw — might have helped the TV industry salvage a year of declining revenues resulting from pandemic-related cancellations and production delays. Now that the Big Ten and the Pacific-12 conferences, two of college football's five powerhouse leagues, have pushed back their seasons amid concerns about the coronavirus, media companies are preparing for more pain.

Many players and school administrators, and even President Trump, had lobbied against the postponement, which could have financial ramifications for teams, campuses and local communities. The punting of the season will also affect the networks that have spent billions to secure broadcast rights, as well as the companies that had planned to spend millions to advertise their products.

“The implications are huge economically,” said Kevin Krim, the chief executive of EDO, a TV ad measurement platform that works with the networks and advertisers. “The cable and broadcast television ecosystem, with advertisers and rights fees and subscriber fees, are heavily anchored to live sports, and the most valuable franchises there are football.”

Last season, college football brought in nearly \$1.7 billion in spending on television advertising, according to the research firm Kantar. Companies like Allstate, Chick-fil-A and State Farm each spent more than \$30 million to advertise during games, while AT&T spent more than \$70 million, Kantar found.

---

**CORONAVIRUS SCHOOLS BRIEFING:** *The pandemic is upending education. Get the latest news and tips as students go back to school.*

[Sign Up](#)

The Walt Disney Company and Fox are among the conglomerates likely to take a hit. More than 27.3 million people watched Louisiana State triumph over Clemson to win the national championship on Jan. 13, a game broadcast by the Disney-owned ESPN. It drew an estimated \$91 million in advertising, according to EDO.

For Fox last year, college football was responsible for nearly 6 percent of ad spending and nearly 10 percent of all TV ad impressions, or viewer exposure to ads, according to the ad measurement company iSpot.TV. ESPN drew 9.5 percent of its impressions from the sport. ABC, also owned by Disney, racked up 7.5 percent of its impressions thanks to college football.

ESPN and Fox declined to comment.

The pandemic has left live sports programming “in constant flux, almost on a daily basis,” said Jeremy Carey, the managing director of the sports marketing agency Optimum Sports, and companies and their ad agencies are working to adapt their marketing plans. At risk: more than 300 regular-season national college football broadcasts that would require more than 50 days to watch, Mr. Carey said.

“There’s still a lot of dust in the air, and there may be more left to settle,” he said. “It’s really challenging when you don’t have all the puzzle pieces to paint an exact picture.”

He added that Optimum was having conversations with the leagues, the teams, TV networks and its advertising clients.

---

## The Coronavirus Outbreak

### Back to School

Updated Aug. 12, 2020

The latest highlights as the first students return to U.S. schools.

- A Georgia school district that reopened last week has quarantined more than 900 students and staff members. Some in the community see it as a predictable debacle; others, a rousing success.
- The Big Ten and Pac-12 conferences will not play college football this fall. “Too much uncertainty, too much risk,” the Big Ten commissioner said.
- As districts decide how to handle the fall semester, parents are podding up, scheduling tutors and enlisting relatives. Explore your pandemic schooling options.
- A district in Illinois says students need to follow the school dress code, even when learning from home. No pajama pants allowed.

---

“There’s going to be a domino effect here, because if Advertiser X can’t get their dollars into college football, and if they have a specific time frame for messaging, they’re going to have to find those audiences elsewhere,” Mr. Carey said.

Visa, which advertises on pro football broadcasts but not during college games, is monitoring the situation closely, “as it could be an indicator of how the N.F.L. season progresses,” said Mary Ann Reilly, who heads the company’s marketing in North America.

The company is developing contingency plans if pro football is canceled, delayed or cut short, readying itself for the possibility that it will need to shift its spending to other areas, such as digital platforms, Ms. Reilly said.

Advertisers have already been trying to work around delays resulting from pandemic-related shutdowns of TV shows and the postponement of the Tokyo Olympics this summer, said Rich Greenfield, an analyst with LightShed Partners, a media research firm.

“The problems keep piling up,” he said. “The catastrophe for the media industry at large is that not only are college sports in jeopardy, but also there’s really very limited original entertainment programming. So the TV ecosystem is going to be really starved for content to put ads next to.”

The Big 12 college conference said on Wednesday that it planned to hold games starting on Sept. 26. And Fox still plans to air major-league baseball games and pro wrestling in the fall, in addition to National Football League games.

But Mr. Krim, of EDO, said he was worried that shifting sports schedules would lead to an on-air collision of football and basketball games, either this fall in the pros or next spring for colleges, resulting in “a smashed-up overcrowding that we’ve never seen before.”

Without a certain timeline for college football, the fate of the most lucrative games of the season is unclear.

“Hundreds of millions of dollars of value could just evaporate,” Mr. Krim said.

Tiffany Hsu is a media reporter for the business desk, focusing on advertising and marketing. Previously, she covered breaking business news. Before joining The Times, she wrote about the California economy for The Los Angeles Times. @tiffkhsu

A version of this article appears in print on Aug. 13, 2020, Section B, Page 10 of the New York edition with the headline: With Conferences Punting, TV Networks Will Absorb a Hit