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Pac-10 Secures Rich Deals With Fox and ESPN

By RICHARD SANDOMIR

The Pacific-10 Conference will start its own network on cable television in 2012, but will also sell most of its marquee football and basketball games to Fox and ESPN for about \$3 billion over 12 years, more than quadrupling what the two companies have been paying.

It is the richest conference deal. The Pac-10, which is expected to announce the agreements Wednesday, is following the media model of the Big Ten Conference, which in 2007 created its own network and negotiated a 10-year, \$1 billion deal with ESPN.

But a critical difference between the conferences' deals is that the Pac-10 will retain full ownership of its network. Fox Cable Networks owns 49 percent of the Big Ten channel.

"We didn't feel we had to give equity to get the broadcast and cable packages we got," Larry Scott, the Pac-10's commissioner, said in a telephone interview.

He said the size of the TV package was a result of the conference's rights being previously undervalued; the size of its markets; the pooling of media rights that had been scattered among its members; the presence of two teams, Oregon and Stanford, in Bowl Championship Series games last season; and the competitiveness among ESPN, Fox and Comcast, which also bid.

"So I'm not surprised at where we landed," he said.

The timing of the Pac-10's deal helped, he said. The Big Ten, the Southeastern, the Big 12 and the Atlantic Coast Conferences have wrapped up contracts in recent years.

That left the Pac-10 to be fought over by ESPN, which carries more college sports than any other company; Fox, which has elevated its ardor for college sports after losing its B.C.S. rights to ESPN; and Comcast, which was looking to raise the profile of its Versus channel.

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"It was a confluence of events," Scott said. "We were the last to go, which put a tremendous premium value on our rights.

A. J. Maestas, the president of Navigate, a sports market research and valuation company, said he had projected that the Pac-10 deal would average \$220 million, not \$250 million, annually.

"It got a ceiling deal," he said. "I can't imagine they could have gotten more."

He added that by not making a deal with Comcast to be its partner in the new conference channel, it might not receive the immediate distribution that the cable company would provide.

On July 1, the conference will become the Pac-12, with the addition of Colorado and Utah, which expands the conference's breadth from four states (California, Oregon, Arizona and Washington) to six.

The addition of Colorado and Utah will boost ESPN and Fox's payments this coming year to \$90 million.

Under the new deal, the conference's football games will be shown on ABC and Fox - a combined five will be in prime time each season - and on ESPN, ESPN2, ESPNU and FX.

Basketball will be shown on ESPN, ESPN2, ESPNU and Fox Sports Net. ESPN will also carry a package of Olympic sports.

ESPN and Fox will also rotate the conference's annual football championship game, and the basketball tournament will alternate among the ESPN networks, and Fox and FX. The Pac-10's new channel will carry at least 350 sports events. The conference is also creating a digital channel, like ESPN3, to carry at least 500 events annually, and a properties division to handle sponsorships.

Scott said the Pac-10 was the beneficiary of the Big Ten's creating its network first.

"They did a lot of things wonderfully and successfully," he said. "They were pioneers. They were forthcoming with us. But when you're the second to do it, you get to draft behind the first one."

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