

High Stakes Staredown

Written by {ga=gdbenz}

Friday, December 28 2007 7:00 PM -

In a showdown between the NFL, its fans, Congress and the cable industry, it was the great and powerful NFL that melted faster than a stick of butter in a microwave oven. And because it did, the New England Patriots vs. New York Giants game this Saturday night will be blasted on seemingly every network except SoapNet. Gary opines on the NFL Network, and the series of events that led to tonight's game being carried by CBS and ESPN.



The camera may never blink, but the same doesn't go for the NFL. In a showdown between the NFL, its fans, Congress and the cable industry, it was the great and powerful NFL that melted faster than a stick of butter in a microwave oven. And because it did, the New England Patriots vs. New York Giants game this Saturday night will be blasted on seemingly every network except SoapNet.

The backdrop behind this interesting little behind-the-scenes stare down stems first from the NFL's decision to create its own cable network, dubbed, cleverly, "The NFL Network." In creating its own niche channel, the NFL was determined not to make what it perceived to be the mistakes of the NBA's own network, NBA TV. What the NFL sees in regard to NBA TV is that in most markets it is relegated to a sports tier in which customers pay extra for a handful of sports-related programming or, in the case of Time Warner for example, to the digital tier, meaning customers at least have to subscribe to digital cable.

But a major difference between the two networks is in approach. NBA TV was

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created in partnership with AOL Time Warner back in 2002 as part of a larger deal when the NBA renewed its various network agreements. Although NBA TV does broadcast the a few games each week, it was never meant to take the place of the NBA's pay-per-view package that is available on most cable and both satellite systems nor was it ever meant to supplant the games on TNT, ESPN or ABC or even local TV for that matter.

The NFL's ambitions for its own network seem far greater. On the surface, it, too, seems to exist to supplement network coverage. But that is more a product of the fact that its agreements with CBS, NBC, Fox and ESPN still have another five years to go. The longer term view seems to be one of opening up an additional revenue stream as a hedge, perhaps, against a reduction in the fees that the over-the-air networks might be willing to pay in the future. When it comes to technology, five years is a lifetime and with the seemingly inevitable convergence of the internet and television, among other things, the landscape for sports and any other television broadcasting for that matter is likely to be radically different when those existing contracts expire.

Thus, if the NFL can grab an extra dollar or so a month from every cable subscriber, which is its current ambition, that's a tidy little stash even when the costs of running its own network are deducted. To this point, though, the NFL has mostly failed in its broadcasting quest. Time Warner only wants to give it the same treatment it gives NBA TV. Comcast, which does have a deal with the NFL Network, has actually moved it to a sports tier and is now in litigation over that decision, though it's been beating the NFL at every turn in court.

The NFL has been counting almost solely on its brand awareness as the selling point for its channel because from a programming standpoint it rivals the NASA channel for pure tediousness, even after giving due respect to the relative handful of people in this country who absolutely must have a NFL fix on a daily basis.

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Here, for example, is the programming for December 28, 2007: 6 a.m.: NFL Total Access, the NFL's version of the Golf Channel's Golf Central, which in turn is the Golf Channel's version of ESPN's SportsCenter. If you missed it at 6 a.m., don't worry, it replays at 7 and 8 a.m. as well. At 9 a.m. is a documentary on the 1972 Dolphins. At 10 a.m. is a truncated replay of the Patriots/Cowboys game from October, followed by a truncated version of the Patriots/Colts game from November. At 1 p.m. is something called "Classic Games", which is full replay of the Patriots/Eagles game from November. At 4 p.m. is "Point After" which takes the viewers on a scintillating review of the daily press conferences held by NFL coaches. About the only thing worse than attending a Bill Belichick press conference has to be watching a replay of it.

Then at 6 p.m. you get some sort of college football bowl game preview show, followed by "Put Up Your Dukes", which is described as a look at the day's hot topics and headlines in the NFL. This shouldn't be confused with "NFL Total Access," which follows, even though it too provides a look at the day's hot topics and headlines. You then have the Texas Bowl, a top flight match-up between TCU and Houston, followed by repeats of NFL Total Access and Classic Games. Unquestionably that's 24 hours of restaurant-quality programming.

The only real change in the programming on a day-to-day basis is late in the football season when the NFL Network shows games on Thursday and Saturday evenings. In reality, it's the access to these games that supposedly is the selling point. But even then the lineup is hardly compelling, unless the outcome of your fantasy football league depends on what happened in the Broncos/Texans or the Bengals/49ers game.

Well, that is it wasn't considered too compelling until what appeared to be a late-season throw away game between the Patriots and the Giants found its way on the NFL Network this year. When it first appeared on the schedule no one figured that this game would have potentially historic implications. But it does now and this would seem to have been the NFL's best bargaining chip in its ongoing

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battle with the cable systems. And it would have been had the NFL not blinked in the stare down.

When it looked like the Patriots might actually go undefeated and the game against the Giants would be the final regular season obstacle, the NFL was indeed licking its chops. In mid-December, NFL Network spokesman Seth Palansky [told](#) the USA Today that there was "zero chance" that the network would allow the game to be broadcast on any other channel. In fact, he said there was as much chance of that changing as there was "raindrops going back into the clouds." (Note: by contract, when a game is broadcast exclusively on cable, such as on ESPN or the NFL Network, the game also must be offered to the local stations, for a fee, in each participating team's market.)

Well, apparently Palansky doesn't actually speak for the NFL or else there are a whole lot of raindrops heading back into the clouds. The NFL tried to leverage the game in its negotiations with Time Warner by offering to give them the game for "free" on a basic cable tier in exchange for agreeing to let a neutral arbitrator resolve their long-standing dispute. Time Warner immediately rejected for the same reason anyone running his or her own business would similarly reject letting an arbitrator make its business decisions.

Rather than sit and wait for the masses to descend on the local Time Warner offices or at least for some misguided fan to start the inevitable online petition, the NFL instead folded its tent and decided instead to give away the game anyway to CBS and NBC. No word on whether the NFL is making Palansky himself put each and every raindrop back into each and every cloud.

In announcing this development, you had to like the pluck of NFL Commissioner Roger Goodell, who insisted that the league was doing this because it was in the best interests of its fans. If that were true, then wouldn't it follow that pulling games from the over-the-air broadcast partners in the first place and putting them

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exclusively on the NFL Network wasn't in the best interests of the fans? Probably, though Goodell would never admit as much. In fact, as if to throw a bone to Palansky and his foolish bravado, Goodell said that the league's commitment to the NFL Network was stronger than ever.

That may be true, but if it is, then Goodell has a funny way of showing that, too. By voluntarily giving up the one trump card he lucked into in the form of the Patriots/Giants game that might have actually pushed Time Warner and Comcast into some sort of customer backlash, Goodell essentially admitted that he's in a battle he can't win.

If the NFL Network, or its wannabe little brother, the Big Ten Network, ever want to get a deal with the major cable companies on the favorable terms they crave, simply put they have to withhold the product from the fans and let nature take its course. And by withholding product, that doesn't mean withholding some meaningless Bengals/49ers game, in the case of the NFL, or Ohio State vs. Akron in the case of the Big Ten Network. For the strategy to work they have to be willing to pull the pin out of the grenade by withholding a potentially historic game like the Patriots/Giants or, say, the Super Bowl. For the Big Ten, they have to have the guts to withhold Ohio State vs. Michigan. Anything less and people just shrug.

But this isn't going to happen anytime soon, if ever. Goodell can play his "best interests of the fans" card all he wants. The truth is that Goodell made the decision because it was in the best interests of the league. The last thing it needs is more outside oversight and the NFL already was getting more than just a few inquiries from Congress about its broadcast plans, and that was well before the Patriots/Giants game took on such meaning.

Just over a year ago, when the NFL first started broadcasting a handful of games on its own network, Senator Arlen Specter of Pennsylvania, chairman of the

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Senate Judiciary Committee, [indicated](#) that his committee was "intrigued" by the league's plans, particularly whether they violated the Sports Broadcasting Act. By intrigued, he meant concerned.

The rumblings got a bit louder after Palansky's statement earlier this month, mainly because while local stations in Boston and New York were going to get the Patriots/Giants game, stations outside that immediate market where many fans of both teams live could not. Those additional rumblings proved to be too much for Goodell and the NFL. For as he and his partners surely understand, the only thing that could kill their broadcasting dreams more definitively than the lack of a deal with either Time Warner or Comcast is Congress in general and a re-working of the anti-trust laws in particular.