

CU Buffs strike gold in Pac-12

New television deal expected to net CU \$21 million a year

By Kyle Ringo Camera Sports Writer
Boulder Daily Camera

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The University of Colorado athletic department will earn more than double in annual distributions from the Pac-12 Conference what it had been receiving from the Big 12 under the terms of a record-setting media rights deal.

Pac-12 Commissioner Larry Scott will hold a press conference Wednesday morning in Phoenix to announce details of the agreement along with Randy Freer, president of Fox Sports Networks and Burke Magnus, ESPN senior vice president of College Sports Programming.

The deal will cover 12 years and is reportedly valued at nearly \$3 billion, which breaks down to approximately \$250 million to the league annually and \$21 million per institution each year. By comparison, the current Pac-10 deal which expires after the 2011-12 school year is valued at \$60 annually to the league.

The agreement exceeds those signed by the SEC (\$205 million), ACC (\$155 million) and Big 12 (\$130 million) Conferences all in the past two years.

The league will keep some of its premium content -- football and men's basketball games -- to be shown on its own network, which will be formed and owned entirely by the league, setting up the possibility of much larger revenue figures for members down the road.

ESPN and Fox will both air football and basketball games from the league each week and will alternate in covering the football championship game and the men's basketball tournament each year. The agreement reportedly calls for Pac-12 football games to be aired on Thursdays, Fridays and Saturdays and for men's basketball games to be aired on Wednesdays, Thursdays, Saturdays and Sundays.

Colorado has been receiving about \$10 million annually from the Big 12 or a little more than 20 percent of its total athletic department budget. That figure includes TV, bowl game and NCAA Tournament revenue. The new distribution numbers in television money alone would account for more than 40 percent of the current year's budget.

"I believe any time that you're a part of significant progress and on the leading edge of your industry that certainly bodes well not only for our program but our student-athletes and our fans and the entire institution," CU athletic director Mike Bohn said. "That is one of the reasons we were so excited to be able to join the Pac-12 is because of their leadership across many spectrums. Larry Scott is delivering in a big way.

"It's just the beginning of some major opportunities for us at the University of Colorado and the entire league."

Bohn called the deal "a landmark agreement" that will utilize "multiple platforms and the newest and most modern technology." He emphasized that it could still be months before he and his staff know for sure how much money the department will be able to count on in the future from the Pac-12. He said how the department uses the increased revenue will be decided over time and only after knowing with more certainty what the actual budget impact will be.

"There are many aspects that are yet to be revealed and developed but the innovation and the leadership of Larry Scott is recognized by our entire campus as exemplary," Bohn said.

One of those aspects is reportedly a digital network in which the conference will stream games online that aren't selected for broadcast by its partners.

The deal should allow the Colorado athletic department to recover relatively quickly from the costs of switching conferences and other debts, including the fact that it is scheduled to receive relatively minimal distributions from the Pac-12 during its first year in the league in 2011-12.

When the Pac-10 announced it was expanding last year and invited Colorado and Utah to join, it put in place financial protections for USC and UCLA, which had traditionally earned more in television revenue than other schools in the league.

Those schools were promised \$2 million more in distributions each year that the league's total revenue fell below a threshold \$170 million. The new rights deal assures the league will meet that amount every year and that means equal revenue sharing will begin as soon as the deal begins at the start of the 2012-13 school year.

With each school receiving the same revenue from the conference, it will be up to fans and donors to elevate each department in the form of ticket sales and donations.

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Colorado strikes it rich as Pac-10 lands \$3 billion TV deal

By John Henderson
The Denver Post

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Colorado's athletic department will get a massive jump in revenues with the Pac-10 Conference having negotiated a television contract with ESPN and Fox worth an estimated \$3 billion over 12 years, according to a Pac-10 source.

The new contract, which begins with the 2012-13 school year, will net the conference around \$250 million annually, with each school getting around \$20.8 million, the source said. The Pac-10 becomes the Pac-12 in July with the addition of Colorado and Utah.

CU received about \$8-\$9 million in TV revenue from its old conference, the Big 12. Details of the Pac-10 deal will be announced this morning at a news conference in Phoenix.

"It's incredible," said A.J. Maestas of Navigate Marketing, a Chicago-based research company for sports and entertainment. "It's off the charts."

The Pac-10 took advantage of an escalating market for TV rights of collegiate sports. The ACC recently signed a deal for \$155 million a year and the Big 12, which is losing Colorado and

Nebraska after this school year, recently reached a deal with Fox that made its total package worth around \$130 million per year. The Big Ten has contracts bringing it around \$220 million per year, and the SEC gets around \$205 million per year, according to The Associated Press.

The deal is a major boon for Colorado, which was lured to the Pac-10 last year in part by commissioner Larry Scott's promises of TV riches.

"It's important that we help our fans, our students and our alums understand that this is a great day for CU because of the national audience we're going to be able to build," Colorado athletic director Mike Bohn said Tuesday.

Bohn said he wants confirmation on the exact figure each school will receive but a figure over \$20 million per year would greatly help the athletic department pay off loans and build toward future goals. Colorado must pay the Big 12 a \$6.8 million exit fee.

While it is early, Bohn said he would like to add a women's sport.

"There's no question that it provides a much needed injection of funds that allows us to couple that with growth we've had in donors and



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the season-ticket base to address the challenges in the environment that we have," Bohn said. "What is that? Increased tuition, increased travel cost, addressing our facilities, maintenance initiatives. So it'll be a key piece of helping along those lines."

Scott used a marketplace thirsty for college sports to strike a lucrative deal, which includes relationships with ESPN, ABC, Fox, Comcast and Turner Sports Network. Rights to some football and men's basketball games were not sold. Scott wants to start a Pac-12 network, and keep inventory for that venture.

Scott's office said he won't comment on the deal, first reported by Sports Business Daily, until today, but told The New York Times that timing was the most important factor.

"It was a confluence of events," he said. "We were the last to go, which put a tremendous premium value on our rights. It's all about market dynamics."

The Pac-12 will televise conference football on Fox and ABC, with five games scheduled for prime time. Also televising football games will be ESPN2, ESPNU and Fx. Basketball games are part of the rights fee, and ESPN will televise 150 Pac-12 Olympic sports as well.

As a first-year member this fall, Colorado will receive TV revenue of an undetermined amount from the Pac-12.

ESPN and Fox will alternate televising the Pac-12 football championship, which debuts this year at the stadium of the highest-ranked division winner. They will also alternate televising the men's conference hoops tournament.

The Pac-12 is not through with TV contracts. Colorado will receive even more money when Scott negotiates the inaugural Pac-12 Network. It will concentrate on televising Olympic sports, non-league football games and lower-rung

conference games.

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Bud Withers

Pac-12's TV deal said to be worth \$21 million annually per school

The Pac-12 will announce a TV deal for football and men's basketball on Wednesday with Fox and ESPN that is rumored to be for \$3 billion for 12 years.



Bud Withers

Seattle Times colleges reporter



It was on last July's barnstorming by Pac-10 football coaches of New York and ESPN headquarters that Larry Scott, the bold commissioner of the conference, issued a mission statement of sorts:

"Our coming to New York," he said, "signals this isn't your grandfather's conference."

Never mind grandpap. The Pac-10 is no longer the conference of your brother or sister who happens to be a couple or three years older. Suddenly, the league is as cutting-edge as the trendiest app for your iPad.

Wednesday in Phoenix, where the conference has its annual spring meetings,

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Scott will announce the league's media-rights deal to take effect with the 2012-13 academic year. Whatever the adjective is between stunning and staggering, that's the one.

"It's pretty incredible," said AJ Maestas, a Chicago-based consultant whose company, Navigate Marketing, does media research and measurement. "It's truly impressive."

By my count, Maestas used the word "incredible" four times in our conversation, which is about the multiple of what schools in the new Pac-12 will be realizing annually in TV income over what they're receiving now.

The New York Times reported that Scott will announce a 12-year deal for football and men's basketball worth \$3 billion with Fox and ESPN, an average of \$250 million a year, meaning perhaps \$21 million annually per school. That would dwarf even the Southeastern Conference's \$205-million-a-year agreements with CBS and ESPN.

"It definitely puts it ahead of everyone," said Maestas. That includes the Big Ten (\$220 million annually), though Maestas adds the caveat that the creation and distribution of a separate Pac-12 network, something Scott intends for the league, puts some uncertainty on the margin.

For perspective, in the 2008-09 academic year (the latest available figures), Washington took in about \$8.44 million in shared revenue from the Pac-10 — including TV, bowl payouts and NCAA men's basketball tournament appearances by the league.

Now it stands to gain \$21 million annually from TV alone, which pays for a lot of swimming programs (lopped at UW in 2009) or rebar on the Husky Stadium renovation.

Not a year ago, it was regarded as a positive sign for the Pac-10, which had been paid about \$53 million annually for its football and men's basketball rights, that the ACC had negotiated a \$155 million contract with ESPN for the two sports. Now the ACC might be wondering why it's getting spare change and everybody else large bills.

Then in the fall came the division alignments for the new Pac-12, the announcement that the league would aggregate all broadcast rights of teams under its banner and implement an equal revenue-sharing plan whereby UCLA and USC would be compensated an extra \$2 million annually until the league reached the \$170 million mark in combined broadcast revenues.

There was considerable skepticism about whether, or when, the Pac-12 could hit that \$170-million threshold.

Well, hold that thought.

So what happened to drive all this?

In the big picture, the Pac-12's timing was exquisite. It was the last available major conference out there with rights available in the immediate future, and its negotiations came as the country was pulling out of a recession.

Meanwhile, in recent years, sports performed well in ratings while other content did not, and the value of cable increased because of a dual potential for both advertising and heightened subscriber fees.

The competitive forces also favored the Pac-12. Fox, the current Pac-10 rights-holder, saw Time-Warner grab the hometown Lakers for the next 20 years, and lost BCS football games through 2014 to ESPN, so it was primed for a fight.

Comcast, looking to buff up its Versus cable property, was heavily involved. And ESPN wasn't about to sit idly. So the bidding was contentious.

But to really appreciate the deal, you have to go beyond the numbers. Remember, this is the Pac-10, the West Coast, where there's always been a choice between tailgating, the beach or the backpack.

It's a place where most schools can't simply schedule a cream-puff in football and expect fans to show up, or viewers to tune in. There isn't the fervor of the SEC, where at Auburn when I covered a game five years ago, they issued 2,400 permits for motor homes.

"It's not the Pac-10's natural order," said Maestas. "They've outkicked their coverage. When you look at the affinity, the fan passion, the ratings, it's not the No. 1 conference.

"They really had a lightning-in-a-bottle situation to pull this off. It's pretty incredible."

There's that word again, seemingly not a teaspoon overstated.

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Pac-12 gets richest TV deal

Tom FitzGerald, Chronicle Staff Writer

Wednesday, May 4, 2011

(05-03) 12:41 PDT -- The Pac-12 will receive about \$3 billion over 12 years by selling most of its top football and basketball games to Fox and ESPN - the richest deal ever for a college conference - sources confirmed Tuesday.

Meanwhile the conference will organize its own cable-TV network to begin in 2012, according to the New York Times.

Cal, Stanford and the other 10 conference schools stand to make as much as \$21 million a year from the deal, which was first reported by the Sports Business Daily. It is worth about \$250 million per year, more than quadrupling the current deal with ESPN and Fox.

Under the Pac-10's current \$60 million deal, each school receives about \$6 million, and the number varied greatly depending on how many of its football games were shown. Cal's share of gross TV revenue last year was \$5.5 million.

Pac-10 Commissioner Larry Scott, whose conference becomes the Pac-12 with the addition of Colorado and Utah on July 1, will announce the agreements today at the conference meetings in Phoenix.

Stanford athletic director Bob Bowlsby wouldn't discuss the terms of the new arrangement but said, "It's going to be a transformative deal. It's going to be great for fans and alumni because the exposure is going to be significantly enhanced. Almost all of it will be on HD. We're going to have much more presence in the national marketplace than we do presently."

In starting its own network, the Pac-12 will follow the lead of the Big Ten, which created its own network in 2007 and negotiated a 10-year, \$1 billion deal with ESPN.

Unlike the Big Ten Network, of which Fox has a 49 percent stake, the Pac-12 Network will be owned solely by the conference.

"We didn't feel we had to give equity to get the broadcast and cable packages we got," Scott told the Times.

The new deal is a spectacular ace for Scott, the former pro tennis player and former head of the Women's Tennis Association whom the Pac-10 hired in 2009 to succeed the retiring Tom Hansen.

The Big Ten, SEC, Big 12 and the ACC all have landed TV contracts in recent years. The numbers were impressive. For instance, the Big 12's deal with Fox is worth \$1.2 billion. The Pac-12 deal has trumped them all.

Being last put the Pac-12 in the driver's seat in a bidding contest among ESPN, Fox and Comcast/NBC, which was hoping to raise the profile of its Versus channel.

The conference will have four prime-time games on ESPN on Thursdays and four more on Fridays, as well as a late-night Saturday window for football. Basketball will be shown on the ESPN networks and Fox Sports Net.

In the Bay Area, conference football and basketball games will continue to be shown on Comcast SportsNet, formerly Fox Sports Net, which has aired Fox programming since 1998.

