



**Remarks by Tom Curley  
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Perhaps the best way to sum up the future of sport and news reporting is through an anecdote from the past. The greatest Olympic moment for me did not occur on a field, mountain, court or pool.

It was - for someone who is, politely, very skeptical of authority - in the most surprising of places, a cocktail party in Lausanne. Watching an athlete sign copies of his book, I said, “He actually seems to enjoy giving autographs.”

Yes, came a reply. He took his winnings from Atlanta and used them to learn to read and write.

The athlete was Josiah Thugwane, the first black South African to win a gold medal. He won the marathon in Atlanta. It was the first and only time I got an autograph.

Throughout history, sports has opened doors of opportunity. The Olympics, in particular, has provided a platform for transformation well beyond the stadiums and events. When we consider where sport and media are and where they might go, let’s look at its exponential power to transform, the implications that are ushered in by that and some of the responsibilities as well.

(Show video)

To summarize, technology has helped feed a boom in sports. Whether the boom endures depends on whether we the organizers, programmers and reporters are creative enough to adapt to the fast-changing consumer tastes. What is beyond debate is that the boom turns to bust if access, fairness and transparency are thwarted.

When Usain Bolt finishes his defense of the 100 meters in London this August, AP may NOT be the first to report the results. Maybe none of the professional journalists on hand will be.

The live Internet feed from the event will be watched worldwide, and there will be enough tweets from Twitter and amateur photos uploaded to social networks and photo-sharing services to flood all available digital channels of consumption.

The world has changed – AGAIN – as we approach London 2012. And while all of us in the news business certainly still matter, the audience itself has taken more control over the information flow than we might ever have imagined, even four years ago, in Beijing.

Four years ago, the iPhone was a first-generation device; Twitter was just getting started; and digital photo-sharing was a novelty.

There are already a billion smartphone users around the world, and 100 million of them are in the United States. In the news business, we know one thing for sure now – you cannot treat that 100 million as if they were appointment-driven consumers of news.

They don't wait for the newspaper to arrive, or the television show to come on, or even for their computer to boot up. They are connected, 24/7, 365, by their personal mobile devices – an experience that has already been extended by the arrival of tablets and, soon, by connectivity in their cars.

That 100 million in the United States – and by extension that 1 billion smartphone users around the world – should be regarded by all of us as the first wave of a new generation of consumers. They are completely in charge of their own consumption, and they have come to expect instantaneous access to information, much of which they will create themselves.

What does that mean for the Olympic Games, and for the sports world in general? We obviously don't have all those answers yet, but we should all be planning for the future as if this phenomenon will be a given four years from now, perhaps even two years from now.

Mobile consumption will be nearly ubiquitous; devices will be spectacular and cheaper; and your friends will be telling you the news as fast as any news agency or broadcast rights holder.

How we all adapt will determine how successful we will be. Will we become a sideshow? Or will we find a way to engage this more empowered audience? The opportunities have never been bigger, and particularly in the world of sports. As the video suggests, interest has never been greater; sports has never been more global; and the economics are stunning. Sports is not just big business, it has become the world's currency.

To put it all in perspective, I want to underscore some of what you saw in that setup piece. First, and most important, spending on sports around the world is growing faster than the GDP. Media rights revenue, gate receipts and sponsorships are all on the rise.

From 2000 to 2009, sports' spending has outpaced economic growth in country after country: 2 times GDP in the U.S., nearly 4 times higher in the U.K., 3 times higher in Japan and more than 8 times GDP in Russia. These figures are all according to a 2011 research report from the A.T. Kearney consultancy.

Global media rights revenue continues to grow, largely driven by major global events like the Olympics and World Cup. Media rights account for about \$30 billion annually, nearly a quarter of the total sports economy.

We all know the story for London 2012. NBCUniversal is paying more than a billion dollars for the U.S. broadcast rights and says it will definitely turn a profit. It sold \$25 million worth of digital advertising for the Beijing games coverage, in a sure sign of more to come this time.

The U.S. market is exploding in general. In late 2011, the National Football League signed a record-setting television rights deal with Fox, NBC and CBS that will average more than \$3 billion a year over the next decade.

Sports television fees also are climbing sharply. In a recent report from Bernstein Research, carriage fees for ESPN and ESPN2 accounted for 20 percent of the cost of a cable TV subscription in the United States.

BSkyB paid 1.6 billion pounds for its current English Premier League package. That number is expected to skyrocket, as the Premier League opens up negotiations to individual countries and companies such as Apple and Google join the competition for the rights.

And the growth is not limited to major markets. Growth in the BRIC countries – Brazil, Russia, India and China – continues to outpace the global market generally, and those countries will soon take center stage as Brazil hosts the 2014 FIFA World Cup and the 2016 Summer Olympics. Russia will host its first Formula 1 Grand Prix in 2014, the Winter Olympics in 2014 and the World Cup in 2018.

This explosion of spending is all the more remarkable when you consider that it is accelerating against the backdrop of the worst overall world economy in more than a generation.

The best news of all is that while consumers are clearly taking charge of their news and sports consumption, they still look hungry for a lot of paid or sponsored content. The providers of that content are certainly counting on it.

But those of us who organize, report and program global sports must adapt to fully exploit this growth. The evidence is some are.

AP will field a team of more than 250 journalists and technicians, along with a few robots, for the London Games. The robots are actually robotic arms to control cameras in the rafters and catwalks of several venues and underwater at the aquatic stadium. For the first time in our long history, we will be providing our full multimedia coverage in real time on our global mobile service, AP Mobile.

NBC famously announced that for the first time ever it would live-stream all of its London coverage online for U.S. viewers. Just two years ago in Vancouver, only hockey and curling were streamed online.

Elsewhere, the story is much the same. The 2011 Wimbledon finals were broadcast for the first time in live 3D. Sky Sports now broadcasts association football and rugby in 3D.

In 2010, the Indian Premier League for cricket struck a deal with YouTube for the rights to stream matches online. Those matches generated 20 million cumulative unique views or nearly 70 percent of YouTube's reach in India.

Mobile, of course, will increasingly become a key driver of audience engagement. A Yahoo survey of web-enabled phone users recently found that almost half of the respondents reported multitasking on their devices while watching sports. More than a third said they interacted with their devices while at live events. In a good sign for all of us, they were checking scores, schedules of other games and looking up players and their statistics. Commercial breaks in telecasts, as we've seen, are prime time for mobile interactions.

Another huge power source is social networking. When the Games were held in Beijing, Facebook had just 100 million users. As the London Games approach, Facebook is nearing a billion users – and it's now a publicly traded company. Twitter is now at 140 million users, up from 6 million in 2008.

And speaking of Usain Bolt... he has nearly 7 million Facebook fans. Even some of those who never make the podium attract big digital followings. Leryn Franco, the Paraguayan javelin thrower – and *Sports Illustrated* swimsuit model – was the second most searched Olympian after Michael Phelps in 2008. And she came in 51<sup>st</sup> in her event.

We need to start our future planning from the premise that this phenomenon will only accelerate. The number of mobile devices will exceed the world's population in 2012, as people add a variety of different screens to their mobile lifestyles. And get ready for a data explosion. Last year's data traffic was eight times the size of the Internet in the year 2000.

With all this connectivity, people are still clamoring to attend the events themselves. Ticket sales are expected to grow 2.5 percent a year through 2015, to nearly \$45 billion. If the price of tickets weren't rising even faster, attendance might be even bigger.

Viewership has never been bigger on television. The audience for the London Games is expected to surpass the 4.7 billion who tuned into Beijing.

Streaming video on the Internet adds a multiplier effect. For March Madness coverage of college basketball in the United States, the NCAA received nearly 2 million daily visitors to its broadband sites and nearly 700,000 daily visitors to its mobile apps.

As a result of video's big move across platforms, advertisers and sponsors have a lot of new options. In a telling moment just this month, ESPN's pro football analyst Jon Gruden told an audience of marketers assembled for the network's annual sales pitch that "if you only buy that screen" – and he was pointing to a television – "you're not buying the entire NFL." Beyond the huge fan base for televised games, online and mobile coverage attract another 21 million fans every Sunday.

The facts and figures are just stunning. And they point to only one conclusion – we are in the midst of a global sports boom, as well as a digital revolution. In fact, the two phenomena are inextricably linked.

This means we will have more, not less, opportunity in the future to expand access and deliver more and more content to insatiable digital consumers around the world.

Let's vow to prepare by laying aside old assumptions and models, and let's start thinking creatively about our future offerings.

Here are seven thoughts for sports authorities and those who cover and program global sports:

First, commit from the top. Let's stop holding back the waves of change crashing on our once-protected economic islands and embrace the newly opened gateways.

While the flow of information is more difficult to control in the wide open spaces of the Web and mobile, this new environment has only stoked the demand for paid and ad-supported content. If we focus more on innovation than control, we will all prosper and grow with the demand.

As I have visited with management teams inside media companies around the world, I see halting and often halfhearted experiments around the future. Companies typically rely on one digital guru. What's needed is a full embrace of the future by the entire – and likely – reshaped leadership group, followed by carefully made but full commitment to digital projects and products.

Second, embrace sport and its role in global society. I'm likely speaking to a committed and understanding home-team crowd today, but we know that's not the case back home. In too many shops, the sports team is isolated. Sports today is the boom business, and it deserves to be treated as such. Give them the resources and new product development support they need to grow. Don't leave all the fun of innovation to startups. The U.S. networks are showing some leadership here with NBCU and soon Fox responding to the ESPN phenomenon. There are hundreds more opportunities being created these days. If it's business as usual at your shop, you'll be left behind.

Third, take the field. Take the whole field, not just the big-match, big-event thrills. We who cover the games have a responsibility beyond the field. For years, I attended IOC press events dominated by questions around doping tests. Perhaps the IOC deserved to endure that storyline, but at the same time there was almost no questioning at American leagues where the standards, as we now know, were lower or even nonexistent.



We have gaps in our coverage. We do a great job covering the games. We can even write a full page on the impact of a torn ligament. But the games behind the games, especially coverage around the money interests, are rarely understood let alone covered. If the money soars, there will be opportunities for journalists who believe the watchdog role should include sport and sport organizations as well as government. Scores and game coverage are becoming relatively less important in print, which opens opportunities for enterprise.

Fourth, engage the fans, readers, viewers. Marrying the new technology with the soaring interest in sport opens up new ways of presenting and telling stories and capturing loyal supporters. It starts with understanding that sports events are only one touch point for fans. Optical tracking technologies or overhead cameras offer new ways to explain matchups or performance.

We should be designing new experiences such as these for before, during and after an event. The 24/7/365 digital fans of the world will always be looking for engagement. They are no longer just making passive appointments with the games they love. They are integrating sports into their digital lives, and because they are always connected, there is more “down time” than ever to interact with our content.

In effect, we can start to fill up all the gaps between our coverage and our traditional programming. If we build these new experiences, the fans will definitely come. And we can help the owners of venues and organizers with in-stadium media stats and coverage that might keep butts in very pricey seats.

Fifth, let’s unlock the value of all of our assets as we build for the future.

There was a time not too long ago when data were the small type in the newspaper. Archived content, likewise, was reserved for special publications and documentaries. Today, you might find all of the

above in a single video game that a fan plays every day. Websites and mobile apps commonly include deep access to data and archives that even coaches would have struggled to assemble a few years ago.

Sixth, sports content has enormous value. Some of the best professional talent lies in the press box or editing booth, as well as on the field. The writers, editors, photographers, producers deserve to be paid well for their skills. We are absolute fools if we get caught up in the good-enough claptrap. Innovating with technology, developing new products, providing instant results from anywhere and supplying deep historical context can form a timeless but costly stream of content. Understand the value being created through the packaging and product opportunities.

Finally, the cost of sport and everything around it is soaring. Imbalances between have-nots and haves could as well. Everyone deserves access to the fields, equipment, coaches and program that turn dreams into heart-thumping victories.

There are thousands more Josiah Thugwanes whose triumphs raise themselves and all of us.

So, here we go. Forward, not backward. And with a new openness to what the digital forces of nature have wrought. We can, and will, harness those forces as we individually and collectively grow one of the most exciting sports business opportunities in history.