

FIELD OF STREAMS: THE NEW CHANNEL GUIDE FOR SPORTS FANS

HEARING

BEFORE THE

COMMITTEE ON COMMERCE,
SCIENCE, AND TRANSPORTATION
UNITED STATES SENATE

ONE HUNDRED NINETEENTH CONGRESS

FIRST SESSION

MAY 6, 2025

Printed for the use of the Committee on Commerce, Science, and Transportation



Available online: <http://www.govinfo.gov>

U.S. GOVERNMENT PUBLISHING OFFICE

61–336 PDF

WASHINGTON : 2025

SENATE COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

ONE HUNDRED NINETEENTH CONGRESS

FIRST SESSION

TED CRUZ, Texas, *Chairman*

JOHN THUNE, South Dakota	MARIA CANTWELL, Washington, <i>Ranking</i>
ROGER WICKER, Mississippi	AMY KLOBUCHAR, Minnesota
DEB FISCHER, Nebraska	BRIAN SCHATZ, Hawaii
JERRY MORAN, Kansas	EDWARD MARKEY, Massachusetts
DAN SULLIVAN, Alaska	GARY PETERS, Michigan
MARSHA BLACKBURN, Tennessee	TAMMY BALDWIN, Wisconsin
TODD YOUNG, Indiana	TAMMY DUCKWORTH, Illinois
TED BUDD, North Carolina	JACKY ROSEN, Nevada
ERIC SCHMITT, Missouri	BEN RAY LUJAN, New Mexico
JOHN CURTIS, <i>Utah</i>	JOHN HICKENLOOPER, Colorado
BERNIE MORENO, Ohio	JOHN FETTERMAN, Pennsylvania
TIM SHEEHY, <i>Montana</i>	ANDY KIM, New Jersey
SHELLEY MOORE CAPITO, West Virginia	LISA BLUNT ROCHESTER, <i>Delaware</i>
CYNTHIA LUMMIS, Wyoming	

BRAD GRANTZ, *Republican Staff Director*

NICOLE CHRISTUS, *Republican Deputy Staff Director*

LIAM MCKENNA, *General Counsel*

LILA HARPER HELMS, *Staff Director*

MELISSA PORTER, *Deputy Staff Director*

JONATHAN HALE, *General Counsel*

CONTENTS

Hearing held on May 6, 2025	Page 1
Statement of Senator Cruz	1
Statement of Senator Cantwell	3
Statement of Senator Klobuchar	25
Statement of Senator Blackburn	28
Statement of Senator Luján	29
Statement of Senator Schmitt	32
Statement of Senator Moreno	36
Statement of Senator Rosen	39
Statement of Senator Markey	41

WITNESSES

Kenny Gersh, Executive Vice President, Media and Business Development, Major League Baseball	5
Prepared statement	7
William Koenig, President, Global Content and Media Distribution, National Basketball Association	8
Prepared statement	10
David M. Proper, Senior Executive Vice President, Media and International Strategy, National Hockey League	13
Prepared statement	14
John Bergmayer, Legal Director, Public Knowledge	15
Prepared statement	17

APPENDIX

Response to written questions submitted to Kenny Gersh by:	
Hon. Marsha Blackburn	45
Hon. Eric Schmitt	46
Hon. Maria Cantwell	46
Response to written questions submitted to William Koenig by:	
Hon. Maria Cantwell	48
Hon. Amy Klobuchar	50
Response to written questions submitted to John Bergmayer by:	
Hon. Maria Cantwell	51
Hon. Amy Klobuchar	54

FIELD OF STREAMS: THE NEW CHANNEL GUIDE FOR SPORTS FANS

TUESDAY, MAY 6, 2025

U.S. SENATE,
COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION,
Washington, DC.

The Committee met, pursuant to notice, at 10:08 a.m., in room SR-253, Russell Senate Office Building, Hon. Ted Cruz, Chairman of the Committee, presiding.

Present: Senators Cruz [presiding], Fischer, Blackburn, Young, Schmitt, Moreno, Cantwell, Klobuchar, Markey, Rosen, and Luján.

OPENING STATEMENT OF HON. TED CRUZ, U.S. SENATOR FROM TEXAS

The CHAIRMAN. Good morning. The Senate Committee on Commerce, Science, and Transportation will come to order.

In Texas where everything is bigger we boast some of the most watched teams in the Nation. Today's hearing about sports broadcasting is not just a Texas issue. It is a national one.

In an era of deep partisan division, sports might be the most powerful cultural unifier that we have. Whether on the couch or in the stands Americans come together to cheer, to hope, to believe.

But those millions of fans are asking a simple question. Why does it seem to be getting harder and more expensive to just watch the game?

For years, fans face some frustrations—regional sports blackouts, a lack of cable subscription options, and higher costs for sports packages.

Consider, for example, that all NFL games used to be broadcast on over-the-air channels until 1987 when the first NFL game aired on ESPN. Some pundits and analysts at the time predicted that fans would no longer follow the NFL if they had to purchase a cable subscription.

How wrong they were. Instead, cable proved to be an evolution in the market and the NFL's popularity exploded. Today's shift to Internet streaming could prove to be a similar evolution.

However, in some ways, rather than simply having more options, sports viewing has become more splintered, requiring multiple apps and subscriptions just to watch a single franchise's entire season.

The app or TV channel that a fan uses one week to watch a game does not necessarily work the next week. It is frustrating and it is annoying for the dedicated sports fans.

Such market disruption is not only expected, it can be a sign of innovation. The key is recognizing that and figuring out how to ad-

just as we go. Importantly, we should be cautious about saddling streaming services with outdated cable era regulations, something that might do more harm than good.

The shift to streaming is not just frustrating, it can be expensive. Between league-specific packages and games behind different streaming pay walls it can cost hundreds of dollars a year for a hardcore fan wanting to watch all of a league's games.

If fans want to spend their hard-earned money on sports streaming I do not blame them. I have shelled out a hell of a lot of money to see the Houston Rockets and the Astros and the Texans, and I intend to continue doing so.

But given that sports can get special treatment under the law, whether it be antitrust protection, nonprofit status, or taxpayer financing of stadiums, what do fans deserve in return?

This is a particularly important question for this committee, which has jurisdiction over telecommunications and broadcasting.

In 1961, Congress enacted the Sports Broadcasting Act to grant professional leagues antitrust immunity as it relates to negotiating national broadcast deals on behalf of their teams.

This structure allows leagues to negotiate from centralized offices in a synchronized manner without violating antitrust laws.

The SBA was intended to ensure that the needs of all sports fans were being met. I think it is important to regularly revisit and consider whether our laws, like the Sports Broadcasting Act, are actually fulfilling their intended goals, and if the leagues can show how the SBA continues to benefit fans today it may be worth exploring whether to give a similar exemption to college sports whose broadcasting rights have no antitrust protection.

One growing concern is that the NFL has used its special exception in the SBA to the frustration of college and high school football schedulers.

For example, the SBA explicitly excludes antitrust protection for the NFL if broadcasting a game on Friday night or a Saturday between mid September and mid December. That is to protect the interest of high school and college football and, ultimately, their fans, who are no doubt also followers of the NFL.

The NFL has tiptoed up to this rule, now putting a game on streaming on Black Friday afternoon, which used to be reserved for prominent football rivalries including in some years when I was a kid Texas versus Texas A&M.

There are millions of sports fans who like being able to follow high school and college and professional football without having to choose amongst them. It is partly why Congress wrote the SBA in the manner it did.

Professional sports holds a unique space in our culture. They wear our colors, carry our hopes, and represent our cities and towns.

Sports teams may be run like businesses but to fans they are sacred institutions. They are public trust and it is why taxpayers have been willing to shell out their money to build stadiums and arenas for pro football and baseball and basketball and hockey.

In exchange, fans are right to ask if these teams have a civic responsibility to their communities that includes making games accessible.

I look forward to hearing from each of the sports leagues today on how the fan experience is changing, how fans are benefiting from new broadcasting landscapes, and just as importantly what responsibilities teams have to the public when taxpayer funding or special legal rights are granted to them.

Streaming may well be the future but it should not sideline the fans.

I now turn to the Ranking Member for her opening statement.

**STATEMENT OF HON. MARIA CANTWELL,
U.S. SENATOR FROM WASHINGTON**

Senator CANTWELL. Thank you, Mr. Chairman, and welcome to the witnesses this morning here for this hearing.

Before we start on this subject, I want to express my strong opposition to the efforts by the Trump administration last week to undermine critical resources for local broadcasting that is NPR and PBS and to fire three congressionally appointed board members of the nonpartisan, nonprofit Corporation for Public Broadcasting.

Every community deserves to have trusted access to local journalism, particularly when it comes to some of our rural areas where programming on these individual channels are very valuable, a quality program for children, certainly emergency alert information.

So we want every community including our rural and tribal areas to have access. The President's actions last week will hit these communities the hardest and deny residents the access to information that they rely on to keep them safe in emergencies.

With this hearing today, Mr. Chairman, obviously, we need to find the sweet spot between consumer choice and consumer costs. I recognize the challenging issue that we are going to discuss this morning.

But I think Mr. Bergman—Mr. Bergmayer, I got it right—in his testimony when he said consumers see that they finally broke the cable bundle model. He was referring to the fact that now with streaming and different distribution that you have more choice, only to watch it reforming again right between their eyes.

That is the subject of this hearing today, and this committee has had a long, long history, back to our former Chairman Senator John McCain, where he advocated in many of those big cable broadcast wars for a la carte choice consumers.

We now see the same issues coming before us again but in a different construct. According to Nielsen, the 2024 streaming numbers were—have accounted for 39 percent of total TV usage in the United States of America, surpassing cable and broadcast television, and this surge in streaming viewers is coupled with a 20 percent drop in cable and satellite subscribers in the past 15 years.

So as you might imagine, this shift has created some disruption including in the broadcast sports arena. I am grateful, again, for our Public Knowledge witness to highlight how some of these changes really have affected consumers and particularly the fan experience.

When I am back home I get to turn on the TV and watch the Seahawks on King 5 or Gonzaga basketball with no subscription required.

But streaming has put sports content increasingly behind a paywall so that only the subscribers can access that, and with the growing number of exclusivity agreements with sports leagues, the decline of cable bundle, consumers are facing an impossible choice, missing an important game or managing, as the Chairman just mentioned, a confusing array of streaming media subscriptions.

So we are here today to hear what it is this committee can do about this issue. It is interesting that the NFL signed a 10-year media rights contract agreement in 2023 that makes Amazon Prime its prime partner for Thursday night football, a deal worth \$10 billion.

Major league soccer's 10-year deal with Apple brought significant new viewership to sports with the playoff audiences increasing by 50 percent in a single year.

So all of these issues make us want to ask the questions about what content we used to get to watch for free that now we are paying for, and what in a world where streaming becomes even easier to get us content what are we doing to make that content more accessible.

During the Paris 2024 Olympics allowed consumers access across the world for the first time to every event live or on demand. Previously, these events had been prioritized or limited because of broadcast channels and now consumers can watch any sport, any race, any preliminary bout, no matter how many other events are taking place at the same time.

I like giving consumer choices. Netflix has the rights to the next Women's World Cup and the WNBA's 2024 season attracted more than 54 million viewers. There you go for not paying enough attention to women's basketball in the past, a 170 percent increase over the previous season.

So there is some good news and that is that we can cover more. We can give consumers more choice. But I, too, would love to hear from our witnesses how we are making sure that we are protecting consumers while we do that.

Thank you, Mr. Chairman.

The CHAIRMAN. Thank you. I would note the Ranking Member had some comments on the defunding of NPR, and as some might say there is the rest of the story.

The Communications Act requires public media entities like NPR to strictly adhere to, quote, "objectivity and balance" in all programs or series of programs on a controversial nature.

Unfortunately, NPR does not. Last Congress I put out a detailed report how NPR took millions in earmarked donations from left-wing mega donors for very specific coverage.

After receiving those donations, NPR churned out content precisely mirroring its donors' agendas. Likewise, the congressionally chartered Independent Television Service paid for documentaries like, quote, "Racist Trees" to appear on PBS.

NPR's CEO Katherine Maher continues to deny that NPR has a story selection problem even when senior editors are resigning because the bias is so overwhelming.

Yet, NPR continues to have a dedicated news desk for climate and for race, both of which are propped up by liberal mega donors.

This is the same woman who in January 2020, months before the death of George Floyd, tweeted, quote, “Yes the North. Yes all of us. Yes America. Yes our original collective sin and unpaid debt. Yes reparations. Yes on this day.”

I think it is more than time for some accountability at NPR.

I will now introduce the panel. First, the representatives from each league will talk about their strategies that they are pursuing in media rights negotiations as they aim to reach more fans.

Our first witness is Kenny Gersh, Executive Vice President of Media and Business Development at Major League Baseball.

Our second witness is Bill Koenig, President of Global Content and Media Distribution, National Basketball Association.

Our third witness is David Proper, Senior Executive Vice President of Media and International Strategy, National Hockey League.

Our final witness is John Bergmayer, the Legal Director of Public Knowledge, who will discuss these issues from the public benefit and fan perspective.

Mr. Gersh, you may begin.

**STATEMENT OF KENNY GERSH, EXECUTIVE VICE PRESIDENT,
MEDIA AND BUSINESS DEVELOPMENT, MAJOR LEAGUE
BASEBALL**

Mr. GERSH. Chairman Cruz, Ranking Member Cantwell, and the members of the Committee, thank you for inviting me here today to give MLB’s perspective on how the sports media ecosystem is evolving.

My name is Kenny Gersh and I serve as Executive Vice President in Media and Business Development for Major League Baseball. In my role I oversee MLB’s relationships with media rights holders and distribution partners as well as our direct to consumer product MLB.tv.

Currently, there are three main ways that we make live MLB games available to fans in the United States: national games, locally broadcast regular season games, and out of market regular season games.

Looking to the future, as existing contracts expire we intend to partner with entities that will make our games available to the broadest possible audience and to eliminate territorial restrictions to make our games available to any fan that wants to watch them, regardless of location.

First, the league itself distributes our Jewel Events consisting of all postseason games, the All-Star game, and the Home Run Derby, as well as a package of regular season games that are distributed nationally, consisting of fewer than 10 percent of the 2,430 regular season games we play each year.

Our most important events, the World Series and All-Star game, along with a package of regular season games are made available on Fox, an over-the-air broadcast network.

We also distribute regular season games and the remainder of our postseason games on TBS and ESPN, two widely available linear channels.

Finally, we work with new media entities including Apple and Roku to make a small selection of regular season games widely available to our fans.

Second, each club retains the right to distribute their regular season games within their own home television territory with the exception of the small amount of games that are chosen for national broadcasts.

The predominant way that MLB clubs have distributed live games to fans in their local markets has been through the Pay TV ecosystem via regional sports networks. The system worked well for baseball fans for many years when most households subscribed to a Pay TV service.

However, over the last decade, as more and more entertainment content began to migrate to streaming services fewer households subscribed or continued to subscribe to Pay TV packages.

To make matters worse, as the number of Pay TV subscribers continues to decline Pay TV distributors have begun to relegate the RSNs to more expensive tiers or not carry them at all.

As a result, the RSN model has begun to crumble. The lack of availability of the RSNs on many Pay TV systems or the need to subscribe to a higher tier to receive them has created what is known as local blackouts.

Finally, the league itself makes all regular season games of every club available outside of each club's home television territory via two subscription products: Extra Innings, which is sold via Pay TV providers as an add-on service to their customers, and MLB.tv, which is sold as a direct to consumer product by the league and available on all internet-connected devices.

In 2024, MLB.tv streamed over 14 billion minutes of live game action to our fans and we are on pace to surpass this record-setting level in 2025.

Overall, the fans' response to MLB.tv has been overwhelmingly positive. However, historic contractual arrangements prevented us from making games available in the club's home television territories, leading to additional fan frustrations with local blackouts.

The combination of declining affordable access to regional sports networks via Pay TV and the lack of access to fans' home teams' games via MLB.tv or other direct to consumer offerings presents obvious challenges and frustrations for fans.

Commissioner Manfred identified expanding MLB's reach as one of his top priorities. I am happy to report that thanks to the commissioner's focus on this issue more MLB games are available to fans than ever before in the history of our sport.

After the recent launch right here in Washington by MASN of their own direct to consumer service, for the first time ever 29 of our 30 MLB clubs are now accessible throughout their home television territory via direct to consumer offerings, virtually eliminating the problem of local blackouts.

In addition, we have also been experimenting with other methods of making games more available to fans. For the 2025 season a majority of our clubs now make a package of games available locally via free over-the-air broadcasts, and on the national level we make a package of games freely available via the Roku channel.

Thank you again for inviting me to testify today. I would be happy to answer any questions you may have.

[The prepared statement of Mr. Gersh follows:]

PREPARED STATEMENT OF KENNY GERSH, EXECUTIVE VICE PRESIDENT, MEDIA AND
BUSINESS DEVELOPMENT, MAJOR LEAGUE BASEBALL

Chairman Cruz, Ranking Member Cantwell and the members of the Committee, thank you for inviting me here today to give MLB's perspective on how the sports media ecosystem is evolving.

My name is Kenny Gersh, and I serve as Executive Vice President, Media and Business Development for Major League Baseball. In my role, I oversee MLB's relationships with media rightsholders and distribution partners as well as our direct-to-consumer product, MLB.TV.

Currently, there are three main ways that we make live MLB games available to fans in the United States:

1. *National Games*: The League itself distributes our Jewel Events consisting of all postseason games, the All-Star Game and the Home Run Derby as well as a package of regular season games that are distributed nationally, consisting of fewer than 10 percent of the 2,430 regular season games we play each year.
2. *Local Regular Season Games*: Each Club retains the right to distribute their regular season games within their own home television territory, with the exception of the small amount of games that are chosen for national broadcast.
3. *Out of Market Regular Season Games*: The League itself makes all regular season games of every Club available outside of each Club's home television territory via two subscriptions products—Extra Innings which is sold via Pay TV providers as an add on service to their customers and MLB.TV which is sold as a direct to consumer product by the League and available on all Internet connected devices including Smart TVs, mobile devices and computers.

Looking to the future, as existing contracts expire, we intend to partner with entities that will make our games available to the broadest possible audience and to eliminate territorial restrictions to make our games available on one or more platforms to any fan that wants to watch them regardless of location.

At the national level, our most important events, the World Series and All-Star Game, along with approximately 60 exclusive nationally broadcast regular season games are made available on FOX, an over the air broadcast network. Our other primary national broadcast partner, WBD, makes postseason games available via the widely distributed Pay TV channel TBS and on their direct-to-consumer service, MAX. We also work with new media entities, including Apple and Roku, to make a selection of regular season games available to fans that are outside of the Pay TV ecosystem.

Since the late 1990s, the predominant way that MLB Clubs have distributed live games to fans in their local markets has been through the Pay TV ecosystem. The bulk of each individual Club's regular season games have traditionally been licensed to Regional Sports Networks (known as "RSNs") which were primarily distributed in each Club's home television territory via Pay TV systems including cable, satellite and IPTV providers. This system worked well for baseball fans for many years. Most homes in the United States subscribed to a pay TV service, peaking at approximately 105 million households in 2010. An overwhelming majority of those households subscribed to basic-tier packages that included access to their local sports teams. However, over the last decade, as more and more entertainment content began to migrate to streaming services, fewer households subscribed, or continued to subscribe, to pay television packages. To make matters worse, as the number of pay television subscribers continues to decline, Pay TV distributors have begun to relegate the RSNs to more expensive tiers or not carry them at all. As a result, the RSN model has begun to crumble. The lack of availability of the RSNs on many Pay TV systems, or the need to subscribe to a higher tier to receive them, has created what is known as "local blackouts."

In addition to the regular season games that are available via our national partners and locally via RSNs, Major League Baseball makes all regular season games available outside of each Club's home television territory via Extra Innings and MLB.TV. MLB.TV is a direct-to-consumer service originally launched by Major League Baseball in 2003 to make games accessible to the fans that live outside of their favorite team's home television territory. In 2024, MLB.TV streamed over 14 billion minutes of live game action to our fans and we are on pace to surpass this record setting level in 2025. Overall, the fans response to MLB.TV has been overwhelmingly positive, however, historic contractual arrangements prevented us from making games available in the Club's home television territories, leading to additional fan frustration with local blackouts.

The combination of declining, affordable access to Regional Sports Networks, and the lack of access to fan's home team games via MLB.TV or other direct-to-consumer

offerings presents obvious challenges. Commissioner Manfred identified expanding MLB's reach as one of his top priorities. I am happy to report that, thanks to the Commissioner's focus on this issue, more MLB games are available to fans than ever before in the history of our sport.

Faced with the crisis hitting the Regional Sports Network business, MLB built out the capability to produce and distribute live baseball games directly. Due to MLB's preparation and efforts, when certain RSNs shut down or dropped the rights to carry an MLB team, MLB was able to step in to immediately produce and distribute those games, ensuring there was no interruption for our fans ability to continue to watch those games on the same Pay TV systems that had previously carried them. Each time MLB took over the production and distribution of a Club's games, we immediately launched local direct-to-consumer services, expanding the availability of those Club's games to every fan in their market, many of whom had previously been blacked out due to their local RSN not being made available on their Pay TV system, if they subscribed to one at all.

After the recent launch by MASN here in Washington of their own direct to consumer service, for the first time ever, 29 of our 30 MLB clubs are now accessible in their home television territory via direct-to-consumer offerings, virtually eliminating the problem of local blackout of MLB games in the United States.

In addition to the wide availability of direct-to-consumer options, we have also been experimenting with other methods of making more games available to more fans. For the 2025 season, a majority of our Clubs now make a package of games available locally via free over the air broadcasts. On the national level, we have experimented with making games freely available via Internet connected devices, most recently with a package of games that are freely available via the Roku Channel.

Going forward, we will continue to focus on responding to the changes in the evolving media environment in a way that increases our reach and fan access to our games, so that whether a fan is a Pay TV subscriber or not, there is a frictionless opportunity to watch any game the fan wants to watch.

Thank you again for inviting me to testify today. I would be happy to answer any questions you might have.

The CHAIRMAN. Thank you.
Mr. Koenig.

**STATEMENT OF WILLIAM KOENIG, PRESIDENT,
GLOBAL CONTENT AND MEDIA DISTRIBUTION,
NATIONAL BASKETBALL ASSOCIATION**

Mr. KOENIG. Good morning, Chairman Cruz, Ranking Member Cantwell, and members of the Committee.

My name is Bill Koenig and I am the President of Global Content and Media Distribution for the NBA and responsible for the NBA's and the WNBA's media arrangements.

I have been with the NBA for 35 years and have focused on distribution of our content including our live game telecasts for the majority of that time. Thank you for inviting me to testify today.

I am especially pleased to testify about the NBA's new national media agreements with Disney, NBC Universal, and Amazon. Starting next season our fans will have unprecedented access to more than 300 nationally televised games, five times more national game telecasts on free over-the-air networks, and every national game telecast through broadly distributed streaming services.

But it was not always that way. In the 1960s our games were rarely seen on national television, and when they were they were often relegated to segments on ABC's "Wide World of Sports" rather than a stand alone broadcasts, and into the 1980s our finals games featuring legends such as Larry Bird, Magic Johnson, Kareem Abdul-Jabbar, and Julius Irving were not aired live but on tape delay at 11:30 p.m. after the local news.

We have come a long way. Part of that success comes from a sustained focus on serving our fans by adapting to technological ad-

vances and evolving media consumption patterns, which have shifted dramatically over the past decade.

Ten years ago, more than 100 million U.S. households subscribe to cable, satellite, and telco providers and about 60 million households subscribe to streaming services.

Today, the number of households that subscribe to those Pay TV providers has declined sharply to about 45 million. That is about one-third of the households that have access to broadcast television and one-third of the nearly 120 million that subscribe to a streaming service.

And some of the leading streaming services like Amazon Prime Video reach almost twice the number of households than any cable network.

As a result, far more video is consumed today through streaming services than through pay television, and this shift is particularly significant for the NBA which has the youngest average fan base of any major league.

These trends were top of mind as we negotiated our new national agreements. One of our top priorities was to ensure that we serve all fans.

So for those who watch the NBA on traditional television we sought to significantly increase the number of games made available nationally on free broadcast television, and for the growing number of fans who use streaming services and digital platforms we aim to significantly increase the number of games made available through those platforms and to provide them with the many unique benefits that digital distribution enables including personalized viewing experiences and an array of interactive video and audio options.

We believe we achieved the right balance. Under these new agreements we will have more national NBA game telecasts than ever before, over 300 games.

We will have an unprecedented number of regular season games on free over-the-air networks—75, which is five times more than under the current deals—and about two times the number of play-off games including every game of the NBA finals will air on free over-the-air networks.

To serve the growing number of fans who prefer digital platforms, every single national game telecast will also be available through broadly distributed streaming services, and while there will be some games exclusively on Prime Video it is important to note that Prime Video is the most widely available subscription streaming service in the country and our analysis shows that nearly 90 percent of our fans watch non-NBA programming on Prime Video already.

The WNBA also entered into national deals with Disney, NBC Universal, and Amazon last year. Under those agreements more WNBA game telecasts will be available nationally on major television networks and streaming services than at any time in the league's history, and from a revenue perspective these new arrangements represent the largest media deal ever in women's sports.

And there is more to come because the WNBA can do additional national deals and thereby achieve even greater exposure in rev-

enue. The popularity of the WNBA has grown exponentially in recent years and these arrangements will enable that growth to continue.

My written statement addresses two other topics: first, the measures we have taken to make our games easier to find and access and, second, the steps our teams have taken to reach more fans with their local telecasts.

I do not have time to address those topics in my testimony today but I am, of course, happy to answer any questions you may have on those topics.

Thank you, and I look forward to your questions.

[The prepared statement of Mr. Koenig follows:]

PREPARED STATEMENT OF WILLIAM KOENIG, PRESIDENT, GLOBAL CONTENT AND MEDIA DISTRIBUTION, NATIONAL BASKETBALL ASSOCIATION

Good morning Chairman Cruz, Ranking Member Cantwell, and members of the Committee. My name is Bill Koenig, and I am the President of Global Content and Media Distribution for the NBA and am responsible for the NBA's and WNBA's media arrangements. I have been with the NBA, in various capacities, for nearly 35 years, focused on media distribution of our content, including our live game telecasts, for the majority of that time. Thank you for inviting me to testify about the NBA's approach to game telecast distribution and about the media issues facing sports leagues more generally.

I am especially pleased to testify about the NBA's new national media arrangements with Disney, NBC Universal and Amazon. Starting next season, our fans will have unprecedented access to (i) more than 300 nationally telecast games, (ii) five-times more national game telecasts on free over-the-air networks and (iii) every national game telecast through broadly-distributed streaming services.

Brief NBA Broadcasting History

As brief background, the NBA is made up of 30 teams throughout North America, 29 in the United States and one in Canada. Our live game telecasts are available on television and other devices throughout the United States and over 200 other countries and territories. But it was not always this way. In the 1960s, our games were rarely available on national television—and when they were, they were often relegated to segments on ABC's Wide World of Sports rather than as standalone broadcasts. And into the 1980s, our Finals games (featuring legends such as Larry Bird, Magic Johnson, Kareem Abdul-Jabbar and Julius Erving) were not aired live, but on tape delay (at 11:30 p.m. after the local news). I am pleased to say that we have come a long way, which is a testament to our teams, players, the appeal of our game and our efforts to respond to technological advances in media for the benefit of our fans.

Importance of Serving Our Fans

Part of that success comes from a sustained focus on serving our fans by studying and adapting to evolving media consumption patterns, which have shifted dramatically over the past decade. Ten years ago when we entered into our current national television agreements with Disney and Turner Broadcasting Systems (now, Warner Bros. Discovery), more than 100 million U.S. households subscribed to "pay television" (i.e., cable, satellite and telco video providers that offer packages with linear networks like Fox and ESPN), the number of pay television households was almost 90 percent of the number of broadcast television households, and about 60 million households subscribed to streaming services (e.g., Netflix or Amazon Prime Video). Today, the number of U.S. households that subscribe to pay television has declined sharply to about 45 million—about one-third of the 126 million households that have access to broadcast television, and the nearly 120 million that subscribe to a streaming service. And some of the leading individual streaming services (e.g., Amazon Prime Video) reach nearly twice the number of households than any cable network reaches. As a result, far more video is consumed today through streaming services than through pay television—and this shift is particularly significant for the NBA which has the youngest average fan base of any major league (44 years old), whereas the average age of a cable network viewer during prime time is over 60 years old.

These trends were top of mind as we negotiated our new national media agreements, which will begin next season. One of our top priorities was to ensure that we serve all our fans. So, for those who engage with the NBA through pay television, we sought to significantly increase the number of games made available nationally on free broadcast television. And for the growing number of fans (particularly younger fans) who consume content predominantly through streaming services and digital platforms, we sought to significantly increase the number of games made available through those platforms and are hard at work with our partners to provide fans with the many benefits that digital distribution enables, including personalized, communal and immersive viewing experiences that engage fans with an array of interactive, fantasy and statistical features, alternative video and audio options, user-generated content and e-commerce integrations and much more.

New National Media Deals

We believe we achieved this balance in our new national media deals with Disney, NBC Universal and Amazon. Under these agreements, starting next season, more national NBA game telecasts will be available than ever before (over 300 games). An unprecedented number of regular season games will be broadcast on free over-the-air networks (ABC and NBC) each season (75 games—which is five times the number under our current deals). And approximately two times the number of play-off games, including every game of the NBA Finals, will be broadcast on free over-the-air networks each season.

In addition, to serve the growing number of fans who prefer to engage with the NBA through digital platforms, every single national game telecast will be available through broadly distributed streaming services—Amazon Prime Video, Peacock and the ESPN direct-to-consumer (“DTC”) service set to launch before next season. For many pay television subscribers (*e.g.*, Charter customers in states such as Texas, Hawaii, North Carolina, Ohio and Wisconsin), the ESPN DTC service and Peacock will be included at no additional cost as part of their video subscription. And while there will be some games exclusively available on Amazon Prime Video, it is important to note that (i) Prime Video is the most widely available streaming service in the United States, with more than 100 million households that currently subscribe to it and (ii) our analysis shows that nearly 90 percent of our U.S. fans already watch non-NBA programming on Prime Video.

Overall, our new national media deals represent a significant step forward for the NBA and its fans. NBA games will be available nationally (and routinely) every night of the week in the latter half of the season: Monday on Peacock, Tuesday on NBC, Wednesday on ESPN, Thursday and Friday on Amazon Prime Video, Saturday evenings and Sunday afternoons on ABC and Sunday evenings on NBC. That is unprecedented and consistent exposure for our league and, most importantly, expanded access for our fans.

Discoverability and Accessibility

As the NBA negotiated our new national media agreements, we were mindful of the concerns expressed by some consumers regarding the fragmentation of telecast outlets for sports (and other) content and the related concern that, with so many outlets distributing games of a particular league or sport, it can be difficult for fans to find and access the content (including game telecasts) that they want to watch.

Cognizant of those concerns, in our national media negotiations, we took steps to address them. First, although several media and technology companies sought national NBA telecast distribution rights, we concluded that having just three national media partners would best serve the interests of our fans and decided against dividing our national rights into more packages.

Second, it was important to us, in determining the optimal combination of partners, that Peacock and the ESPN DTC service are increasingly being included in video subscriptions offered by many pay television providers and that Amazon Prime Video is already available to almost every U.S. television household.

We also sought to make our games easier to find and access in a number of ways. As described above, we structured our schedule so that games air on a consistent night of the week for each national partner, making it easier for our fans to remember, adapt and watch. In addition, each of our media partners has agreed to allow the NBA App and other NBA platforms to serve as “front doors” to all national (and virtually all local) game telecasts. When fans want to check a score, or are unsure where a game is being telecast, all they need to do is go to the NBA App and be automatically directed to the game telecast on the relevant digital platform.

Similarly, we are working with a myriad of league and team business partners to promote game telecasts and provide similar direct access to live telecasts. For example, if a fan is watching a highlight on a social media app, we will provide links

and other tools endemic to the platform that will enable that fan to go straight into a game telecast. These fan-friendly options are only possible because every national game telecast is available on a digital platform.

Local Game Telecasts

A team's games that are not selected for national telecast by one of the NBA's three national partners are made available in the team's local market, typically by a regional sports network ("RSN"). More than any other participant in the pay television ecosystem, RSNs have been adversely affected by "cord-cutting," carriage disputes and re-positioning of networks to more expensive, lesser-penetrated programming tiers. Pay television subscribers to RSNs have dropped by nearly 50 percent in just the last five years and continue to decline. In addition to negatively affecting our teams' ability to reach fans with game telecasts, team revenues from both RSNs directly and other business lines, such as merchandise and ticket sales, that depend on broad telecast exposure have been negatively affected by the decline in RSN subscribers.

Because reaching fans with game telecasts is so important to the NBA, our teams continually look to optimize the distribution of their local telecasts through both traditional linear television channels as well as streaming services. To that end, a number of teams have shifted in recent years from RSNs (due to the factors mentioned above) to a combination of local over-the-air broadcasts and digital DTC distribution for their game telecasts. In each such case, they have been able to reach more fans. In fact, this season, there were more local game telecasts available on free over-the-air stations (570) than at any time in the last 20 years. Twenty-one of our 29 U.S. teams distributed games on broadcast stations this season (compared to one team only three years ago).

Although the NBA for more than a decade has authorized RSNs to distribute game telecasts through digital means, it has been only in the last three years that RSNs have begun to do so on a digital direct-to-consumer (*i.e.*, streaming) basis. Recognizing the importance of reaching fans (especially young fans) through digital platforms and the many ways digital distribution can engage fans, teams have encouraged RSNs to deliver games through digital means and, in some cases, do so themselves. As a result, whereas no package of a team's games was available on a digital platform only a few years ago, today, 28 of the 29 domestic teams' games are distributed through digital subscription offerings.

WNBA

The WNBA also entered into national media agreements with Disney, NBC Universal and Amazon last year, commencing with the 2026 season. Under those agreements, more WNBA game telecasts will be available nationally on broadly distributed national television networks and streaming services (the ABC and NBC broadcast networks, ESPN and USA cable networks and the Prime Video, Peacock and ESPN streaming services) than at any time in the league's history. From a revenue perspective, these new WNBA arrangements, in the aggregate,

represent the largest media deal ever in women's sports. And there is more to come. The WNBA has retained the flexibility to do additional national media deals (and thereby achieve even greater exposure and revenue), which the league is actively exploring. The popularity of the WNBA has grown exponentially in recent years, and these arrangements will enable that growth to continue.

Conclusion

The NBA is committed to providing all fans—whether they subscribe to pay television, streaming, or both—with access to hundreds of game telecasts each season. Expanding the reach of, and engagement with, our game telecasts are the principal objectives underlying our new national media agreements, our evolving linear and digital distribution approach to local telecasts and our popular NBA League Pass offering (the NBA's so-called "out-of-market" subscription service that gives fans access to all non-national game telecasts outside the market in which they reside, and which is available through both traditional pay television providers and digital platforms).

By making more games available nationally (including a record number of games on free broadcast networks) and every national game telecast available through widely available streaming services, and by continuing to distribute local and League Pass game telecasts through both pay television and digital services, we believe that our arrangements are well positioned to accomplish those objectives. We also believe the steps we are taking to make our games easier to find and access will address any fragmentation-related concerns as our distribution paradigm continues to adapt to changes in the video consumption habits of our fans. Our goal

remains to serve the interests of our fans, and we will continue to adjust our arrangements and approach with that goal in mind.

Thank you, and I look forward to your questions.

The CHAIRMAN. Thank you.

Mr. Proper.

**STATEMENT OF DAVID M. PROPER, SENIOR EXECUTIVE VICE
PRESIDENT, MEDIA AND INTERNATIONAL STRATEGY,
NATIONAL HOCKEY LEAGUE**

Mr. PROPER. Chairman Cruz, Ranking Member Cantwell, and members of the Committee, good morning. Thank you for the opportunity to appear before the Committee today on behalf of the National Hockey League.

My name is David Proper and I am the Senior Executive Vice President of Media and International Strategy for the NHL. In that role I have overseen the NHL's media relationships worldwide for the past 15 years.

We appreciate your leadership in examining the evolving sports media landscape and its impact on fans, leagues, teams, media companies, and communities across the country.

The NHL is a 107-year-old league with deep roots in North American communities and a strong global presence. In the last few years alone we have seen record attendance, increased viewership, and substantial growth in youth participation.

While we are incredibly proud of this momentum, we are also focused on the continuing responsibility to ensure our games are available to our fans in a manner that fulfills their sports viewing preferences.

At the core of our media strategy is a simple idea, meet the fans where they are. In the United States, our national media partnerships allow us to deliver NHL games across a wide array of channels and formats.

Live games air nationally on ESPN, ABC, TNT, TBS, and the NHL network, and on top streaming platforms including ESPN+, Hulu, and Max.

Whether on a traditional cable or satellite box, a mobile device, or a smart TV, fans in the United States can access live hockey in more ways than ever before.

We are also committed to keeping fans connected to their hometown teams. NHL games continue to be shown regionally through local media partners.

While the traditional RSN model has faced recent disruption, we are actively working to support our teams and their partners to respond to changes in the evolving media landscape.

Such responses include restructuring existing, often long standing RSN arrangements, entering into regional agreements with broadcast affiliates, and/or launching digital direct to consumer products both on a subscription fee basis and on a free to consumer ad-supported basis.

The market, however, is clearly in a state of flux. Every player in this ecosystem—the leagues, the teams, the distributors and the platforms—are working to identify the best ways to serve fans in a rapidly changing environment.

We believe it is important to allow the market to settle and stabilize so that the long-term sustainable solutions can emerge.

As our business continues to grow and expand, our ultimate goal remains the same—to ensure that NHL content remains accessible and affordable for fans.

But the fan-viewing experience is about more than just platforms. It is also about production and content.

In that vein, we are embracing media innovations including non-traditional broadcast formats serving specific demographic groups such as animated game broadcast for children, data-casts for avid stat-focused fans, and American Sign Language game productions for our hearing-impaired fans.

We are also focused on producing real-time data overlays, nongame programming content, and personalized viewing options, all of which help us reach broader audiences.

We are committed to serving the full spectrum of our audience, whether as a child watching their first Cap's playoff game tonight, a lifelong fan catching a game on their phone during a commute, or a member of the United States military stationed overseas looking for a taste of home.

We want the game to be easy to find, easy to follow, and easily available. At the same time, we understand that the way fans access our game continues to evolve and vary widely.

Some rely on traditional broadcast systems while others are embracing new digital platforms. As the media landscape continues to change we remain focused on ensuring that our content is as accessible and engaging as possible for all fans, wherever and however they choose to watch.

For us, this is not a media strategy. Serving our fans is a mission shared by the entire league. After 107 years, the NHL is proud to be evolving and proud to be building a future where hockey reaches more people in more meaningful ways than ever before.

Thank you again for the opportunity to appear before you and I look forward to answering any questions.

[The prepared statement of Mr. Proper follows:]

PREPARED STATEMENT OF DAVID M. PROPER, SENIOR EXECUTIVE VICE PRESIDENT,
MEDIA AND INTERNATIONAL STRATEGY, NATIONAL HOCKEY LEAGUE

Chairman Cruz, Ranking Member Cantwell, and Members of the Committee:

Thank you for the opportunity to appear before the Committee today on behalf of the National Hockey League. We appreciate your leadership in examining the evolving sports media landscape and its impact on fans, leagues, teams, media companies, and communities across the country.

The NHL is a 107-year-old League with deep roots in North American communities and a strong global presence. In the last few years alone, we have seen record attendance, increased viewership, and substantial growth in youth participation. While we are incredibly proud of this momentum, we are also focused on the continuing responsibility to ensure our games are available to our fans in a manner that fulfills their sports viewing preferences.

At the core of our media strategy is a simple idea: meet fans where they are. In the United States, our national media partnerships allow us to deliver NHL games across a wide array of channels and formats. Live games air nationally on ESPN, ABC, TNT, TBS and NHL Network and top streaming platforms including ESPN+, Hulu, and Max. Whether on a traditional cable or satellite box, a mobile device, or a smart TV, fans in the United States can access live hockey in more ways than ever before.

We are also committed to keeping fans connected to their hometown teams. NHL games continue to be shown regionally through local media partners. While the traditional RSN model has faced recent disruption, we are actively working to support our teams and their partners to respond to changes in the evolving media landscape. Such responses include restructuring existing, often long-standing, RSN arrangements, entering into regional agreements with broadcast affiliates, and/or launching digital direct to consumer products, both on a subscription-fee basis and on a free-to-the-consumer ad-supported basis.

The market, however, is clearly in a state of flux. Every player in this ecosystem—leagues, teams, distributors, and platforms—is working to identify the best ways to serve fans in a rapidly changing environment. We believe it is important to allow the market to settle and stabilize so that long-term, sustainable solutions can emerge. As our business continues to grow and expand, our ultimate goal remains the same: to ensure that NHL content remains accessible and affordable for fans.

But the fan viewing experience is about more than just platforms—it's also about production and content. In that vein, we are embracing media innovations, including non-traditional broadcast formats serving specific demographic groups, such as animated game broadcasts for children, data-casts for avid stat-focused fans, and American Sign Language game productions for our hearing-impaired fans; real-time data overlays, non-game programming content, and personalized viewing options—all of which help us reach broader audiences.

We are committed to serving the full spectrum of our audience—whether it is a child watching their first Stanley Cup Final, a lifelong fan catching a game on their phone during a commute, or a member of the United States military stationed overseas looking for a taste of home. We want the game to be easy to find, easy to follow, and easily available.

At the same time, we understand that the way fans access our game continues to evolve and vary widely. Some rely on traditional broadcast systems, while others are embracing new digital platforms. As the media landscape continues to change, we remain focused on ensuring that our content is as accessible and engaging as possible for all fans—wherever and however they choose to watch.

For us, this is not just a media strategy—serving our fans is a mission shared by the entire League. After 107 years, the NHL is proud to be evolving and proud to be building a future where hockey reaches more people in more meaningful ways than ever before.

Thank you again for the opportunity to appear before you. I look forward to your questions.

The CHAIRMAN. Thank you.
Mr. Bergmayer.

**STATEMENT OF JOHN BERGMAYER, LEGAL DIRECTOR,
PUBLIC KNOWLEDGE**

Mr. BERGMAYER. Chairman, Ranking Member, and members of the Committee, thank you for inviting me to testify today.

Streaming video has benefited viewers in many ways. Millions of Americans have discovered they can get content more cheaply and conveniently through streaming services than with traditional cable or satellite TV.

With online video people can pick and choose services instead of being forced into bloated cable bundles. They can watch on different devices inside and outside the home. Streaming also gives diverse content creators opportunities to reach audiences in ways not possible before.

For sports specifically streaming has brought benefits, too. It is easier for fans to watch out-of-market games. Streaming platforms can integrate sport-specific features not possible on broadcast or cable, and it is easier to access sports beyond the major professional leagues.

But the transition to streaming has not been smooth. The proliferation of services and fragmentation of content means costs are

rising. As the Ranking Member noted, many viewers feel they finally broke free of the cable bundle only to watch it reform before their eyes.

Having to manage various accounts, download multiple apps, and track numerous subscription payments burdens viewers. Apps can be buggy and inconsistent, and there is simply no one place to look to figure out where to watch what you want.

To follow their favorite baseball team a fan might need Apple TV+ for \$10 a month, MLB.tv for \$150 per season, and a traditional or virtual MVPD like YouTube TV for about \$85 a month at a minimum, and even then carriage of regional sports networks or sports channels is far from universal and some games might fall through the cracks.

Across many sports, fans might try to watch a game and unexpectedly find it is on a streaming service they do not use. Confusing blackout rules mean games available online in one market might not be available in another, with local teams and playoff games most often affected.

Video quality might be poor due to inadequate broadband and online streams may lag significantly behind real time. Fan frustration is acute because many games once available on free broadcast TV are moving to paid streaming services.

Millions of viewers still mostly watch TV through broadcast, cable, and satellite, especially older viewers with lifelong attachments to teams whose games are now difficult to find.

The current market structure is not a consequence of a free market. It results from decades of regulatory arbitrage and market power exploitation.

Regional sports networks emerged not from natural market evolution, but as a way for cable operators to evade program access rules.

Sports were a major contributor to inflated cable bills in many ways. The collapse of this model is tied to the rise of streaming as viewers cut the cord, cable companies lose leverage, and leagues can pitch streamers against traditional distributors.

Let me share a personal example. Two weeks ago, a Cubs-Phillies game was mistakenly blacked out for me in D.C.

The game was not on broadcast or cable TV locally or nationally and simply should not have been blacked out. MLB's in app customer service was unresponsive, eventually resolved it through social media by providing my IP address and zip code for a manual override.

This is, clearly, not sustainable. Streaming is no longer an afterthought. We need to ensure that shifts in media technology and sports benefit viewers with cheaper and more convenient options.

Sports have outsized civic, cultural, and economic importance. Teams receive taxpayer subsidies through stadiums and special tax deals.

Major leagues enjoy special exemptions from antitrust laws through the Sports Broadcasting Act and Supreme Court decisions. Publicly subsidized sports and teams should clearly communicate to fans where games will be available.

They should commit to making games available free of charge in their local market, either on broadcast or free streaming. There is

no reason for public money to support private sports organizations without clear public benefit.

Further, Congress should consider legislation like the Stop Sports Blackouts Act, which would mandate refunds for channels lost due to disputes.

Leagues and policymakers must recognize that easy, affordable access is crucial for the future of sports viewership. Young people no longer discover sports by flipping through channels so they need to be accessible in other ways.

Policies prioritizing immediate profits through exclusive deals and expensive pay walls threaten to alienate existing fans and lose the next generation.

More broadly, everyone in the streaming market should focus on providing a good viewer experience rather than customer lock in. Online video services should recognize that viewers often mix and match services and facilitate this instead of blocking it.

Sports in particular show the need for consistency and predictability. Leagues should avoid abrupt changes to how people watch games.

They should avoid overly complex licensing that fragments individual sports across a variety of services and move past media deals that penalize local market viewers.

Practices that prioritize short-term gain can harm the long-term sustainability of professional sports because people have many other things to watch.

MLB Commissioner Rob Manfred said, “We hate blackouts as much as fans do” and that ending local blackouts was “business objective number one.”

He stated, “We need to be out of the business of blackouts, telling people who want to watch games that we will not sell them to you.”

But this vision has not yet come to pass for any of the major sports, and fans continue to face an expensive patchwork of services.

Thank you for the opportunity to testify today and I welcome your questions.

[The prepared statement of Mr. Bergmayer follows:]

PREPARED STATEMENT OF JOHN BERGMAYER, LEGAL DIRECTOR, PUBLIC KNOWLEDGE

Streaming video has benefited viewers in many ways, and the prevalence of cord-cutting backs that up. Millions of Americans have discovered that they can get the content they want more cheaply and conveniently through streaming services than with traditional multichannel video programming distributors (MVPDS) like cable and satellite TV providers.

With online video, people can pick and choose services, instead of being forced into bloated cable bundles. They can watch video on many different kinds of device, inside the home and outside of it, instead of being limited to rented cable set-top boxes. Online video also gives diverse content creators an opportunity to reach audiences in ways that were not possible when broadcast and MVPDS were the main source of video programming.

When it comes to sports, streaming has brought benefits as well. It’s easier for fans to watch out-of-market games, and streaming platforms can integrate sports-specific features (like MLB’s Gameday) that are not possible on broadcast or cable. It’s also easier for viewers to access sports content outside of the major professional leagues and collegiate conferences. Major services like ESPN+ carry sports like Ultimate Frisbee and Lacrosse. Organizations like the Professional Darts Association provide their own video content online. Apple distributes Major League Soccer, and Formula One racing is finding a larger audience in the United States in part due

to the success of “Drive to Survive” on Netflix. HBCU Go offers easy access to collegiate sports from Historically Black Colleges and Universities.

But the transition to streaming hasn’t been entirely smooth. The proliferation of streaming services, and the fragmentation of content between them, means that the costs of watching streaming video are rising, and for many people can approach what they were paying on their cable bill. Some viewers feel like they finally broke free of the cable bundle only to watch it re-forming between their eyes. New major video apps are launched, shut down, and rebranded on a regular basis, and people might sign up to a service to watch particular content only to have it disappear without warning.

Having to set up and remember various accounts, having to download and sign in to a proliferation of apps (often from content providers that have no clear brand identity or specialization), and having to track a number of monthly subscription payments can be a burden on viewers. A number of businesses have even sprung up that promise to help people manage their increasing monthly subscriptions. Streaming apps can be buggy, and apps from different services might work and be organized differently from each other. Many apps do not support “universal search” features even if they are available, meaning that users looking for something to watch might spend more time flipping between apps than people used to spend flipping between channels. There is simply no one place to look to figure out where to watch what you want.

Some user experience problems with online video can be quite pronounced with sports. To watch MLB Baseball, for instance, a fan might need to subscribe to Apple TV+ and MLB.tv as well as a traditional cable or satellite multichannel video programming distributor (MVPD) or a “virtual” MVPD (vMVPD) like YouTube TV or Fubo—and even then, carriage of Regional Sports Networks (RSNs) or sports channels like the MLB or NHL Network by MVPDs and vMVPDs is far from universal, and sports-specific channels have frequently vanished from subscriber’s lineups, even mid-season. With traditional TV, even when games might be on different networks on different days, at least a fan could simply switch channels. Watching games now requires that a fan have a compatible device, a fast broadband connection, an account (free in some cases, not in others) with each service, and the ability to download and configure an app for each service. All of this might be fine for the early adopters of online video. But we’re well past that point. Watching sports online has a few other sour points as well. Confusing and fan-hostile blackout rules mean that games available online in one market may not be available in another. Due to inadequate broadband or weak WiFi in the home, video quality might be poor. Online sports streaming may also be significantly laggy, meaning that viewers might be watching events that are seconds or minutes behind real time. In the days of live reactions to games on social media, this means that a viewer may find out what happens in a game on X or Bluesky before seeing it on screen.

The rise in streaming and cord-cutting is undoubtedly a cause of consumer frustrations, even outside of streaming itself. Shifts in the economics of sports, such as the dispute between Altice-owned Optimum cable and the MSG Networks channel, are downstream of cord-cutting and the rise of online video, as the media deals that have been the backbone of the industry for many years need to be re-thought and renegotiated. That dispute is now resolved, but the Attorneys General of New York, New Jersey, and Connecticut got involved, with New York Attorney General Letitia James noting that “New York sports fans are being put in the penalty box, forced to shell out their hard-earned money for television channels they cannot even watch.”¹ Fan frustration in this area is particularly acute because many games that were once available on free-over-the-air broadcast are moving to paid streaming services. It should not be lost in this discussion that millions of viewers still primarily watch TV through broadcast, cable, and satellite—older viewers in particular, who may have lifelong attachments to particular teams, whose games are now a puzzle for them to find. And, even with the rise of streaming, sports like Women’s College Basketball are setting viewership records on traditional pay TV. These viewers should not be left behind.

It’s also important to understand that the current market structure is not a consequence of a free market, but rather the result of decades of regulatory arbitrage and market power exploitation. Regional Sports Networks (RSNs) emerged not from natural market evolution but as a way for cable operators to evade program access rules. Comcast created the first RSN in Philadelphia specifically to exploit the “ter-

¹ Ariel Zilber, NY, NJ, and Connecticut AGs Hit Optimum With Ultimatum as MSG Blackout Frustrates Customers, NY Post (February 6, 2025), <https://nypost.com/2025/02/06/business/new-york-new-jersey-and-connecticut-ag-demand-optimum-lift-msg-black-out>.

restrial loophole” by delivering programming terrestrially rather than by satellite, thus avoiding Federal regulations.

The following years saw a series of power plays involving major cable companies, RSNs, teams, and leagues, where sports programming was used as a competitive cudgel, and programming that was once available via broadcast channels shifted increasingly to RSNs. When streaming services gained sufficient audience share, leagues found they could leverage new deep-pocketed bidders like Amazon against cable companies, extracting even higher prices while gaining more flexibility for their own streaming offerings. This is still going on, but cord-cutting has significantly reduced the subscribers to, and hence the leverage of, cable companies, and the cable-based RSN model is collapsing.

Today, rather than streaming providing a pathway for local teams to reach local fans, it has become part of a system of dueling industries in which viewers and smaller teams often suffer. Some of this is growing pains. Streaming still offers more opportunities for business models and ways of delivering sports programming than broadcast or cable, and the lack of a natural monopoly on last-mile delivery—provided broadband ISPs remain open—reduces a major barrier to entry. But some of the fan frustration, which is so acute as to result in today’s hearing, is the result of a regulatory system that led to cable bundles and bills to become inflated to the point of unsustainability.

FAN FRUSTRATIONS

Tracking the issues that consumers face nationally and in specific local markets, particularly outside of major media markets like New York and Los Angeles, can be as complex as a multi-year sports media deal, but an overview might provide a sense of the changing landscape.

Of the major leagues, the NFL long had the most straightforward TV setup. Most games were free on over-the-air channels on Sunday, with a few on cable (Monday Night Football). But there have been recent changes that test viewers’ patience. The biggest change came in 2022, when Thursday Night Football (TNF) moved exclusively to Amazon Prime Video on a \$1 billion/year deal. Suddenly, a game that had been on network TV (and simulcast in previous years on NFL Network/Amazon) was now only on a streaming app for most of the country. This caused massive confusion. Many fans, especially older ones, struggled to figure out how to watch. Amazon Prime requires either a smart TV app, a streaming device, or watching on a computer or tablet—like with other shifts to streaming, potentially requiring new hardware purchases, as well as signing up for a new service. This year’s Steelers/Ravens playoff game was an Amazon exclusive, and many viewers were simply unable to figure out how to watch it.

The NFL launched its own service, NFL+ (though limited to mobile streaming of local games), and in 2023 it moved the NFL Sunday Ticket out-of-market package from DirecTV satellite to a streaming platform (YouTube and YouTube TV). This was a huge shift after nearly 30 years with DirecTV. This required dedicated out-of-market fans to adapt to a new system in 2024—either subscribing to YouTube TV or buying Sunday Ticket via YouTube’s Primetime Channels, at a hefty price (around \$300–\$400 for the season). Some long-time Sunday Ticket subscribers without robust Internet access were concerned about relying on streaming.

MLB fans have faced significant viewing hurdles in recent years. One major issue is exclusive streaming broadcasts. In 2022, MLB began a deal with Apple TV+ to stream Friday night games exclusively, with some Sunday games variously on Peacock, then The Roku Channel. These games were not shown on local TV or regional sports networks (RSNs). While Apple initially made some games free, viewers (especially older, less tech-savvy fans) still struggled with the new setup.

MLB’s longstanding local blackout rules continued to frustrate fans. Subscribers to MLB.TV cannot watch their home team’s games live due to exclusivity deals with RSNs. This leads to absurd scenarios—for example, parts of North Carolina fall in the Cincinnati Reds’ claimed territory (hundreds of miles away), so fans there are blacked out on MLB.TV. Commissioner Rob Manfred acknowledged in 2022, “we hate blackouts as much as fans do,”² but said the league’s hands were tied by broadcast contracts. The problem became more glaring as cord-cutting increased. Several major streaming cable alternatives (YouTube TV, Hulu + Live, etc.) dropped

²Tim Kelly, Rob Manfred: ‘We Hate Blackouts As Much as Fans Do,’ Audacity (June 30, 2022), <https://www.audacity.com/1080thefan/sports/mlb/rob-manfred-we-hate-blackouts-as-much-as-fans-do>

RSNs like Bally Sports due to high fees, leaving cord-cutters with no legal way to watch local baseball.

The collapse of the RSN model was dramatically illustrated when Diamond Sports Group (owner of Bally Sports networks) filed for bankruptcy. In May 2023, after Bally failed to pay the San Diego Padres' rights fees, MLB seized control of Padres broadcasts mid-season. Practically overnight, Padres fans had to switch to new channels and streaming offerings run by MLB.

Similar brinkmanship occurred elsewhere: the Arizona Diamondbacks had their Bally Sports contract terminated and moved to an MLB-run service mid-2023.

MLB's Rob Manfred even cited the Padres situation as proof that "there were tens of thousands of people who wanted to pay to watch baseball" once blackouts were lifted. He has since made ending local blackouts "business objective No. 1," saying, "We need to be out of the business of blackouts. . . telling people who want to watch games that we won't sell them to you."³ But this vision has not yet come to pass, and fans in many markets continue to face a patchwork of services and even mid-season broadcast shake-ups that make following their team far more complex than it used to be.

NBA fans encountered many of the same viewing headaches. While the NBA didn't put regular-season games on new streaming-only platforms at the national level (its national games stayed on ESPN/ABC and Turner's TNT), local broadcast issues and RSN fragmentation hit hard. Numerous NBA teams are shown on Bally Sports RSNs, so when services like YouTube TV and Hulu Live dropped Bally channels (in 2020–21), those teams effectively vanished from streaming for many viewers. For example, a fan of the Phoenix Suns or Miami Heat who cut the cord had no streaming bundle carrying Bally Sports Arizona or Sun. By 2022, the only option was often to switch to DirecTV Stream or Fubo (which did carry many Bally RSNs) or pay for Bally's own standalone app at ~\$20/month: an expensive ask on top of other services. Many viewers resorted to VPNs and NBA League Pass (meant for out-of-market games) to bypass local blackouts. To follow a team fully, an NBA fan might need a pay TV bundle (for local RSN and national channels), plus NBA League Pass for out-of-market or if you live away from your team, and even then League Pass is blacked out for local games and certain national broadcasts. During the 2023 playoffs, some first-round games aired on NBA TV (a lesser-distributed channel), with fans without that channel being caught off guard that a playoff game wasn't available.

The NHL's viewing experience also became more convoluted from 2022 onward, owing to a new TV deal and the same RSN tumult affecting other leagues. In the 2021–2022 season, the NHL switched its U.S. broadcast partners to ESPN and Turner Sports, with ESPN+ streaming folded in. That meant a slate of games each week was exclusive to streaming on ESPN+ (and Hulu) instead of any TV channel. Fans quickly noticed that if their team's game was one of those exclusives, a cable subscription alone was no longer enough: they needed an ESPN+ account and a compatible smart TV or device. More broadly, regional blackouts remained a sore point. Even when ESPN+ streams most out-of-market games, local team games are blacked out on the app to protect RSNs, unless the game is carried nationally. An NHL fan blog argued in 2023 that "regional blackouts have crippled the NHL's reach,"⁴ noting that the league's national TV ratings dropped in the second year of the new deal.

Basketball and hockey fans in several cities were also caught in the crossfire of RSN carriage disputes. The most notorious case was in Denver: from late 2019 until late 2023, Comcast (the area's largest cable provider) did not carry Altitude Sports, the RSN for the Colorado Avalanche and Denver Nuggets. This stalemate lasted an astounding 4 plus years, during which most Comcast subscribers simply couldn't watch the Avalanche (NHL) or Nuggets (NBA) at home. As the Avalanche went on to win the 2022 Stanley Cup and the Nuggets the 2023 NBA title, a generation of local fans missed seeing it live on TV. Many resorted to unconventional streaming services (some likely illegal) to follow their teams. The impasse eventually ended in October 2023, when Altitude and Comcast settled.

Outside the "Big Four" sports similar broadcasting and streaming controversies hit American sports. Major League Soccer (MLS) made a groundbreaking media rights move in 2023, signing a 10-year deal with Apple TV+ to stream every MLS game via the new MLS Season Pass. This meant no more local TV broadcasts at

³Michael S. Schmidt, A Q&A With Rob Manfred, NY Times (April 6, 2025), <https://www.nytimes.com/2025/04/06/briefing/rob-manfred-interview-baseball.html>

⁴An Honest Review of the NHL's Broadcasts in 2023, Stanley Cup of Chowder (February 3, 2023), <https://www.stanleycupofchowder.com/2023/2/3/23581957/national-hockey-league-broadcasts-boston-bruins-nhl-jack-edwards-nesn-bally-sports-gary-bettman>

all—a fan must use the Apple TV app (on a smart TV, computer, or device) to watch their team’s games, aside from a few matches simulcast on Fox. On one hand, the MLS/Apple deal eliminated blackouts and offered a consistent platform. On the other, it erected a paywall (\$99/year, or \$79 for Apple+ subscribers) for a product that many casual fans used to watch for free on local channels or regional sports networks. The transition was bumpy. Early on, some long-time fans struggled with the tech, especially if they didn’t own Apple devices. (Notably, the Apple TV app wasn’t available on Android phones until mid-2023, though it did work on non-Apple smart TVs).

College sports also saw streaming-exclusive games (and realignment chaos) impact fans. Notre Dame football, for example, put one home game per year exclusively on Peacock in 2021 and 2022, angering fans unaccustomed to paying to see Notre Dame play Toledo or UNLV. The Big Ten’s new TV deal in 2023 will likewise send some conference football games to Peacock-only starting in fall 2024, meaning fans of certain schools must get Peacock for those contests. Meanwhile, conference media rights shuffles (like the Pac-12’s collapse in 2023) were driven by TV money and left fans unsure where their team’s games would air in the future.

Personally, I recently faced these frustrations. Two weeks ago, a Cubs/Phillies game was mistakenly blacked out for me in DC, and for others as I found out by searching social media. This game was not carried on broadcast or multichannel TV locally or nationally and should not have been blacked out, but MLB’s customer service was unresponsive through their app. Eventually, I resolved it via MLB support on social media, providing them with my IP address and zip code so they could manually override MLB’s mistake. This is clearly not a sustainable solution. Just last week, more “correctly” blacked out from a Phillies/Nationals game which was available locally—but not on my multichannel service of choice, YouTube TV, which does not carry Mid-Atlantic Sports Network (MASN)—I was told by the same MLB customer service social media account that they would nonetheless lift the blackout. But after a half hour of trying, and claiming to have lifted the blackout, they in the end just referred me back to a webpage outlining MLB blackout policies. At least I was able to listen to the game on the radio. But even if I had MASN, I’d only have the Nationals’ broadcast. No offense to the Nat’s fine broadcast team, the Phillies’ John Kruk is the funniest color commentator in baseball. To be sure, services like MASN+ and Phillies.TV are a step in the right direction for giving in-market fans the ability to watch local games without an MVPD, but they are still geographically limited, and do not provide access to nationally-carried games, including playoffs, which are still black out of MLB.TV.

A PATH FORWARD

Sports are an entertainment product, to be sure. But they have outsized civic, cultural, and economic importance. The role of the NFL in particular cannot be understated. Every year, 9 of the 10 most highly-rated TV programs are NFL games, and the Super Bowl is the most watched event in the United States. Teams are subsidized by taxpayers through stadiums, special tax districts, and other deals, and major leagues like the NFL, MLB, NBA, and NHL are given special exemptions from antitrust laws by the Sports Broadcasting Act—enhancing their market power, and distorting the market in other ways—for example, by only applying to the “Big Four” sports. Sorry, soccer. Baseball’s antitrust exemption is even broader, and it wasn’t even granted by Congress. The Supreme Court devised it in 1922 in *Federal Baseball Club v. National League*, 259 U.S. 200 (1922), and reaffirmed it in *Toolson v. New York Yankees*, 346 U.S. 356 (1953), and in *Flood v. Kuhn*, 407 U.S. 258 (1972). Then-judge Neal Gorsuch described the Court’s treatment of baseball as a “precedential island[.] . . . surrounded by a sea of contrary law.” *Direct Marketing Ass’n v. Brohl*, 814 F. 3d 1129 (10th Cir. 2016). Maybe that is one vote to overturn it at the Supreme Court.

Streaming is no longer an afterthought, and policymakers, content creators, tech platforms, and sports leagues need to take steps to ensure that shifts in the media, technology, and sports landscapes benefit viewers, and lead to cheaper and more convenient options. Taxpayer-funded sports and teams should be required to clearly and consistently communicate to fans, ahead of time, where games will be available, and commit to making games available free of charge in their local market—either by continuing on broadcast, or streaming them for free. There is no reason for public money to go to private sports organizations unless there is a clear and tangible public benefit. Free, ad-supported broadcast or streaming of games in local markets remains a viable business model.

Leagues and policymakers must recognize that easy, affordable access to sports is crucial for the future of sports viewership. Policies prioritizing immediate profits

through exclusive deals threaten to alienate existing fans and fail to attract younger viewers who no longer stumble upon sports while casually flipping through TV channels, and who often cannot afford the high price that tickets now command. Instead, leagues should simplify viewing access, eliminate outdated blackout policies, and offer reasonably priced, easy-to-use direct-to-consumer streaming options. While these measures may seem financially risky initially, they can be forward-thinking investments in the growth and sustainability of fanbases.

This hearing is evidence that the streaming era has introduced complexity, new costs, and consumer confusion to sports viewing. Yet, thoughtful policy interventions can create a fair, affordable, and sustainable environment, benefiting consumers, fans, and sports leagues alike. Congress should consider legislation like Congressman Ryan and Senator Murphy's recent Stop Sports Blackouts Act, mandating refunds for channels lost due to disputes, require taxpayer-funded sports entities to stream games for free locally, and support initiatives ending local market blackouts entirely. Other model legislation is the longstanding FANS Act proposal, championed by Senator Blumenthal and the late Senator McCain, that would have put public interest conditions, such as a prohibition on blackouts stemming from retransmission consent disputes during marquee events, on continuing sports leagues' antitrust exemption. Senator Baldwin's "Go Pack Go" Act is another promising response that would address Wisconsin's frustrations with arbitrary market boundaries and confusing media deals. Colleges and universities should be permitted to negotiate their own media deals, particularly in their local markets, instead of having to go through the NCAA. Accessibility of games is also an issue that could benefit from increased attention from the state and local policymakers who more directly interact with teams, their owners, and the leagues.

More broadly, it would benefit everyone in the streaming market to focus more on providing a good viewer experience, rather than on customer lock-in. While more competition is good, not every content producer needs to go direct-to-consumer with yet another video streaming app, as opposed to licensing content to the services people already use. Online video services should recognize that viewers often mix and match services, and work to facilitate instead of blocking this. While content and programming bundles are not *per se* bad, they should offer obvious value to subscribers, instead of being ways to get them to pay for costly programming they are not interested in. Video apps should continue to innovate, but services should bear in mind the advantages of consistency, discoverability, and simplicity across different apps.

Sports in particular show the need for consistency and predictability. Leagues should avoid abrupt and radical changes to how people watch games, and should avoid overly complex licensing that fragments individual sports and even teams across a variety of services. While the leagues and teams may balk at what they view as leaving money on the table, practices that prioritize short-term gain can end up harming the long-term sustainability of professional sports. People have other things to watch.

The streaming revolution has fundamentally transformed how we consume sports content, offering unprecedented flexibility but also creating new frustrations. As leagues prioritize lucrative exclusive deals across fragmented platforms, fans face rising costs, technical hurdles, and confusing blackout restrictions that undermine the very accessibility streaming promised to deliver. This calls for an approach where leagues, policymakers, and platforms recognize their responsibility to fans, particularly given sports' cultural significance and the public subsidies many teams receive. Without meaningful reform that prioritizes viewer experience over short-term profits, including simplified access, reasonable pricing, and elimination of outdated blackout policies, sports organizations risk alienating existing fans and failing to cultivate the next generation of viewers in an increasingly competitive entertainment landscape.

While streaming has unlocked new possibilities for sports fans and content creators alike, it has also replicated many of the frustrations of the old cable model—now spread across a maze of apps, subscriptions, and platforms. As the transition continues, policymakers, leagues, and platforms must move beyond a mindset of exclusive deals and revenue maximization and instead prioritize a future where sports remain widely accessible, locally available, and simple to find and watch. The public investment in sports demands public benefit in return. The path forward should be built around transparency, consistency, and fair access for all fans.

Thank you for inviting me to testify.

The CHAIRMAN. Thank you to each of the witnesses. Let me start with a question to the leagues.

As I mentioned in my opening statement, Congress passed the Sports Broadcasting Act in 1961 to allow leagues to negotiate sports media deals on behalf of all teams as opposed to on a team by team basis.

Congress granted this antitrust exemption with the intention of benefiting sports fans. How does the SBA actually benefit fans of your sport, whether it is from greater access to games or improve revenue sharing, to make for more competitive balance or something else entirely?

Mr. GERSH. Thank you.

As you stated, Chairman, the SBA allows us to pool broadcast rights, which has created a fan friendly, market efficient practice that has resulted in more output of games as opposed to less.

One concrete example from Major League Baseball's perspective is this pooling allowed us to create MLB Events media where all the clubs together pooled their digital media rights.

That allowed us to innovate and revolutionize the viewing experience. We were the first league to be able to stream games at all via the internet, first to computers, then to mobile devices, eventually right to the TV.

So we think that has been a really big benefit of being able to take all the resources of the leagues together to create a product as opposed to each individual club having to manage apps across multiple operating systems and multiple devices.

It is a hard thing to do on a small basis. You really need that economy of scale. So we appreciate the ability to do that.

And while, you know, the sports leagues are each comprised of 30 or, in some cases, 32 different teams that compete with each other on the field, it is important that we act as a single operating entity and that is why you are able to have, you know, three of us here to have this discussion instead of not need to.

Thank you.

Mr. KOENIG. Chairman, we think that we do honor the intention of the Sports Broadcasting Act and that there is a public service in the way we have organized our media rights.

As I mentioned, in our most recent national deals, which is a product of what the Sports Broadcasting Act was intended to do on a national basis, we were able to license a record number of over-the-air telecasts—free over-the-air telecasts.

That benefits all teams in terms of exposure because the games are available in every market. But it also by able—by being able to license games on a league wide national basis the revenue is shared equally by each teams.

So the point you made about revenue sharing, all teams benefit from those national distribution deals equally.

Also, to echo what Mr. Gersh said, we are able to innovate by doing things that require scale at the league level.

Our League Pass product, which is our out-of-market subscription service, offers fans approximately 14 different feeds of every game—different camera angles, different languages, different stats feeds for analytics, fantasy feeds, celebrity co-viewing experiences—and those things are really only achievable by pooling and doing things on a collective basis.

Mr. PROPER. It is a great question, Senator, and I think that I would echo much of what Mr. Gersh and Mr. Koenig said.

The one thing that I would add of substance in terms of what the Sports Broadcasting Act was intended to do was it was intended to make games available to fans with greater accessibility at a lesser cost.

That is exactly what it does. If you had, in our case, 32 teams or 25 in the U.S. out there negotiating their own deals on every television market you would have a complete fragmentation of their rights.

A fan who wanted to watch all of the games would be buying from so many different packages, which the costs would be through the roof.

What this has allowed us to do—the respective leagues—is to provide the greatest access to fans in the most affordable way possible and that is, I think, the main intention of the Broadcast Act, where it has been extremely successful.

The CHAIRMAN. So the FCC's cable era regulations set regulatory conditions including rules around operating within a designated market area as well as syndicated and exclusivity rules, which can lead to blackouts.

Streaming platforms are not bound by these rules, but blackouts still take place on streaming platforms. Why is that the case and do league specifically require streaming platforms to blackout games for out-of-market fans?

Mr. GERSH. Thank you.

I think the result of the question you are asking is the way our rights are currently split up between the league and the clubs at the current time.

Each club has the right to distribute throughout their entire home television territory so when they do their deals in their market they are on cable TV that we, the league, cannot then offer the games in their own market. So for our streaming product we blackout in Houston because the Astros are exploiting the rights there.

However, as I mentioned in my testimony, also we now are at the moment where 29 of our clubs have their own direct to consumer service.

So you can now in pretty much every territory if you want to watch the games via streaming you can go buy that service and if you want to watch all the other games out of market you can buy MLB.tv and then those two services complement each other so that it does cover the whole landscape.

So it means less of a legislative issue and just the way that our rights are currently divided between the league and the club.

The CHAIRMAN. Mr. Koenig.

Mr. KOENIG. Similarly with the NBA, we have three different types of game distribution packages. We have a national package—national packages, local packages, and out-of-market, and a fan anywhere in the country can access every game—every game played by his or her favorite team or any other team in the league through a subscription to one or more of these packages.

That is that is—that is the business reality. There is no mandate that games be blacked out. National games, for example, are not blacked out.

But a fan in any market, in Houston, for example, can buy the Rockets games locally from the RSN that is operated by the Astros and the Rockets collectively, and they can watch games of the other teams through buying our League Pass out-of-market package and, obviously, can access the national games.

I would say that on the local front, because of some of the issues facing cable with cord cutting, the repositioning of regional sports networks, and just carriage disputes, more and more of our teams—21 of our 29 domestic teams—have games on broadcast television. It is almost the reverse.

I remember in 1992 when the Cable Act was passed and there was a study about migration from broadcast to cable—you actually referred to that in your opening statement—and now there seems to be a trend. We had last—this season 570 games on broadcast television, the most in 20 years.

And so we are very concerned with accessibility. But any fan can subscribe to services or get them for free in the case of many local and national telecasts to any game that he or she wants.

The CHAIRMAN. Mr. Proper.

Mr. PROPER. The NHL is similarly set up as the other two leagues. We have local rights, we have national rights, and we have out-of-market rights.

The local rights in terms of being blacked out is structured exactly the same and you have to think of it as—and if you live in the local market you get the benefit of getting your teams without having to buy the out-of-market package or anything like that.

You get that benefit usually. Depending on the circumstance most of the games are available on either broadcast or major cable television.

That being said, if I am being completely candid, as Mr. Bergmayer said about Commissioner Manfred everybody is looking at the future of the models right now.

The models are in a state of flux, and whether streaming results in blackouts or blackouts not happening in the future is something that may be addressed by the leagues over the next five to 10 years.

But it is at this point the current model that has worked and has worked very well. But as we continue to have flux in the system we are going to have to continue to evaluate.

The CHAIRMAN. Thank you.

Senator Klobuchar.

**STATEMENT OF HON. AMY KLOBUCHAR,
U.S. SENATOR FROM MINNESOTA**

Senator KLOBUCHAR. Thank you very much, Mr. Chairman, and thanks to Ranking Member Cantwell for putting together this important hearing.

As some of you know, my dad was a sports writer and a general columnist, and he wrote 23 books including the authorized biography of Fran Tarkington. But he wrote one in 1977 that we will never forget because it is relevant today, and that is “Will the Vikings Ever Win the Super Bowl?”—that was the name of it.

But I care a lot about sports. I find it—

The CHAIRMAN. And the answer is?

Senator KLOBUCHAR. Of course they will, Senator Cruz.

I care a lot about sports. I care a lot about how sports brings us together in terms of our local communities. It made a huge difference for our city, for the City of Minneapolis, in the last few years after some difficult times.

And so I just wanted to start with this, with the local broadcasting issue, and I have learned—I have gotten all the streaming down. I will get the Timberwolves tonight, Mr. Koenig, whatever they are on.

But I do want to continue to have strong local broadcasting for many reasons because I think it also brings our communities together.

And how do you plan—I guess I would start with you, Mr. Proper, since you had the wherewithal to go to college in Minnesota—how do you plan on continuing to leverage local broadcasting to reach NHL fans like wild fans?

Mr. PROPER. Thank you, Senator, and thank you for acknowledging the Minnesota roots. I did not realize it would work to my benefit.

[Laughter.]

Mr. PROPER. So in the NHL we are currently still operating under the RSN system in many markets. So that is the cable system where the RSNs, but as everybody is—sorry, regional sports networks.

But as everybody has talked about, those continue to lose subs and as a result they are going to a D to C model that complements their cable distribution.

In addition, our teams have looked carefully, as I mentioned briefly, at broadcast and a number of our teams are on full broadcast networks in the local markets. Other teams—we have one team that has gone on a completely free—actually two—completely free digital distribution.

So that is basically everybody can get it for free if they have Internet access, and everybody has some form of D to C, meaning direct to consumer model that—as a pay model except the two that have it for free that is available over the internet.

So what we have done is through our various markets attempted to try and test and move forward with every different type of model that currently exists. We expect that we will get a much better sense of what the future holds and what really works as we move forward.

But we have teams in every market that are doing different things as we try to figure out exactly what the future will be.

What I can tell you is, hopefully, what gives you some comfort is the most important thing to us in any of the leagues is growth, which is all focused on accessibility and affordability.

Senator KLOBUCHAR. Mr. Gersh, same question.

Mr. GERSH. Thank you. It is a great question.

We are, obviously, very focused on making sure local fans can watch their games, and as we have all talked about here today the Pay TV industry in general and the RSNs in particular that have traditionally been the way that fans are able to watch their local games have been suffering massive disruption.

We saw that coming and we wanted to make sure that our fans never were penalized for what was going on in the marketplace. So we built up the infrastructure ourselves to be able to produce and distribute games.

And so for the Twins, for example, when their RSN had financial difficulties, they were in bankruptcy, they had come out—

Senator KLOBUCHAR. I remember the whole thing.

Mr. GERSH. So we took over the production and distribution of those and we essentially follow a three-pronged strategy, which is, one, to get, you know, as much distribution as we can still from the Pay TV industry and so those games are now on, you know, Comcast and DIRECTV.

We also distribute a package of those games of 10 games over the air so fans can watch some games if they do not want to subscribe to anything, and it gives fans a promotional ability to see where the games will be on.

And then we offer the direct to consumer package so anyone who does want to watch all the games can sign up directly to do so.

Senator KLOBUCHAR. OK. And I will ask you that question in writing, Mr. Koenig, because I did want to ask you and I will follow up on some of these local issues. I just think it is so important.

Last July, as you noted, WNBA—we love the Lynx—signed this historic deal \$2.2 billion, although we note the men's deal is \$76 billion, and you noted that there could be some add-ons for more.

Could you talk about that? Just because I think, like, they are such a fast-moving, popular sport that putting it in one slice of time for the women seems like, well, this is historic.

What was it like a few years ago, I wonder, just this change over in the valuation?

Mr. GERSH. The change in—the market, just like the rise in popularity exploded in the last couple of years, Senator, you are right.

What I would say is we are mindful of the growing popularity of the WNBA. So in the three deals that we did last year, even though they were record numbers in terms of the finances that you referred to, we put in certain provisions to provide for upside in those deals.

So, for example, there is a revenue-sharing component that if advertising revenues exceed a certain level in each of the deals the WNBA benefits incrementally.

There is also a provision that after 3 years there is essentially a reset, a relook at the value in those deals because they are long term, and if the league is continuing to take off we would like another chance to negotiate.

And the third thing with the other—just to answer your question, we have other deals that we can do with other broadcasters and other, you know—

Senator KLOBUCHAR. Thank you for bringing up the local. Yes, I hope you continue that.

I just want to—I am going to put this on the record, Chair, because I know we are out of time.

But for you, Mr. Bergmayer, just I think it is important to focus on, first of all, that fans can get their sports.

But when you look at the cost, say, the NFL Sunday ticket, YouTube TV, ESPN+, Netflix, Amazon Prime Video, Peacock, a sin-

gle season \$850 for the 2024 season alone, which is really hard when it used to be on local broadcast.

And also just some of the Disney, Warner, Fox Sports deal that was called off due to antitrust concerns and, you know, I want fans to stream their sports but we also want to make sure that consumers benefit from low prices and innovation comes from competition.

So I look forward to getting your answers in writing. I am sorry. I am out of time. Thank you.

The CHAIRMAN. Thank you.
Senator Blackburn.

**STATEMENT OF HON. MARSHA BLACKBURN,
U.S. SENATOR FROM TENNESSEE**

Senator BLACKBURN. Thank you, Mr. Chairman. And thank you to each of you for being here.

In Tennessee we love our sports teams also.

And, Mr. Koenig, I want to come to you because I have through the years looked at the NBA's relationship with oppressive regimes around the globe and, of course, you all have had quite a cozy relationship with the CCP, and we know how they censor.

And going back to 2019 with Daryl Morey's tweet in support of the Hong Kong freedom fighters, and that resulted in the suspension of the NBA broadcast on their state-run media channels.

And in recent years it appears that you all have patched that relationship up, which means there had to be some sort of deal that was there and it must have been quite a deal.

So since we are talking about broadcast rights and what they are worth, why don't you tell me what the broadcast rights in China are worth and how much NBA owners have invested in China?

Mr. KOENIG. Thank you, Senator.

The NBA does have a very long history of distributing our games and content in China for more than 30 years.

Senator BLACKBURN. No, I am not asking about the length of time you have been in China. I am asking what are the media rights worth?

You are the President of Global Content and Media Distribution. So what are those rights worth and how much have the NBA owners invested in China?

Mr. KOENIG. The NBA does not comment publicly on the financial terms of our relationships in the U.S. or abroad but I can comment that you are accurate that in light of the tweet that Daryl Morey made in 2019—

Senator BLACKBURN. You had to cut a deal?

Mr. KOENIG. No, we did not cut a deal.

Senator BLACKBURN. Oh, you did not?

Mr. KOENIG. No, we did not cut a deal. What happened was the games were taken off of CCTV. You are right. The games continued to air on Tencent and other distribution outlets in China, and then after more than a year—

Senator BLACKBURN. So did you make any concessions on free speech?

Mr. KOENIG. No. To the contrary—

Senator BLACKBURN. None at all? Because the estimates are that these media rights are worth hundreds of millions of dollars to you all and that NBA team owners have invested as much as \$10 billion, and I think some clarity around those numbers would be important.

The other thing that we look at is human rights and we look at how the NBA has punished players who have spoken out against human rights abusers in China, Enes Kanter Freedom, one specifically.

So can you commit to me that in every deal the NBA makes around the globe that the league is upholding human rights and that the league is upholding freedom of speech and they are upholding the American ideals of freedom?

Can you make that commitment?

Mr. KOENIG. Senator, I can certainly confirm that one of the NBA's most important values is freedom of speech. In fact, the example you cited before of Daryl Morey he was not disciplined or censored in any way in light of the comments that he made, and that—and you are right that that comment may have led to the lack of coverage by CCTV and other things.

But no, we very much value freedom of speech and that is something that I can confirm and it is something that is one of our—

Senator BLACKBURN. What about your actions in Rwanda? You are the global president. We ought to have an answer on that one.

Mr. PROPER, let me come to you, if you do not mind.

One of the things that we are concerned about—and Senator Klobuchar touched on this—is pirated broadcasts that are available, and the Predators are mighty popular in Tennessee. People love going to those games.

And as we were looking at this, I think it is \$28 billion in potential revenue loss that is there from pirated. So tell me what you are doing to combat the rise of these illegal sports streaming because, you know, the players are not benefiting from that?

Mr. PROPER. Thank you, Senator. It is a great question and it is something that everybody struggles with.

The fact of the matter is we have an outside service that helps us to track pirated broadcasts. We work with our broadcast partners. We have gotten orders of court that have allowed us in certain markets to stop these pirated broadcasts.

But at the end of the day, many of them come from foreign jurisdictions. They are what we affectionately refer to as whack-a-mole. You knock one down and two more pop up.

But you can rest assure that everybody is trying to do the best they can worldwide. But any tools that become available to us we will all use because it is a definite drag on our industry.

Senator BLACKBURN. Thank you. Thank you, Mr. Chairman.

The CHAIRMAN. Thank you.

Senator Luján.

**STATEMENT OF HON. BEN RAY LUJÁN,
U.S. SENATOR FROM NEW MEXICO**

Senator LUJÁN. Mr. Chairman, thank you very much.

To all of our witnesses that are here, thank you for being here.

Now, I recognize this hearing was convened to talk about sports broadcasting and brought the experts together today.

However, I want to ask some specific questions about an issue that is currently going on, and I just simply cannot ignore what President Trump's unlawful executive order that attempts to kneecap the Corporation for Public Broadcasting and its funding of PBS and NPR.

Now, let me be clear. The President's actions show a callous disregard for the law. Congress passed a law in 1967 that established the Corporation for Public Broadcasting's independence.

Here are a couple facts. CPB is a nonprofit private corporation. Congress formed CPB this way to insulate it from government control.

The board members are not officers of the United States. Board members and their decisions cannot be controlled by the government. Board members do not serve at the pleasure of the President.

CPB provides critical operational support for nearly 1,500 locally owned and operated public television and radio stations that reach virtually every household in the country.

In 2024 alone, CPB provided nearly \$6 million in total support to three public TV stations and 12 public stations in New Mexico alone.

Yet, despite all the facts the President has plowed ahead with his attacks on the corporation. As a result, he and his administration have threatened access to local news, children's educational programming, and emergency alerts that broadcasters provide to communities.

Now, Mr. Bergmayer, you heard I am concerned about the Trump administration's attacks on public media and defunding NPR and PBS. Can you explain why NPR and PBS are important?

Mr. BERGMAYER. Yes, Senator. Thanks for the question.

Of course, as we discussed today, people should be able to access their local teams but, obviously, important local news, commercial-free children's programming, and emergency alerts are important, too.

Public broadcasting provides this and CPB funding is important for stations in rural areas in particular. These areas typically have less broadband coverage to households and people can tune into the radio in places where there is no wireless coverage at all.

And especially as commercial stations are often struggling as local ad dollars shift to online platforms like Facebook I think it really underscores the importance of other models to provide the kinds of information that these stations provide.

Senator LUJÁN. If Congress allows this to happen are people going to have the same access to local news, educational programming, and emergency alerts?

Mr. BERGMAYER. I think not. I think in particular there is going to be many news deserts if these stations shut down.

Senator LUJÁN. Now, Mr. Bergmayer, the public radio network reaches about 99 percent of the American population. This makes it a critical backbone for the Nation's emergency alert system.

The majority of public radio stations in New Mexico receive CPB grants and support 30 to 50 percent of their budgets. Some of these

are also tribal stations and serve as links to isolated tribal communities back home.

Now, one of the questions that I have here is, if the Trump administration is successful in cutting funding to these public stations will the stations exist?

And I would note that study after study showed New Mexico and Alaska have something in common in this particular space with a number of stations that we benefit from with these repeaters—the investments that are made by these entities.

We just had some of the most horrific fires in New Mexico's history. As a matter of fact, it was a local station that was able to partner with some of these. It is an AM radio station.

I appreciate what Chair Cruz is doing to make sure AM radio is going to stay in every car in America as well because it was the AM radio that was warning the citizens that they needed to move.

Signals were down. There was no electricity. Phones were not working, nothing. The only thing that worked were these repeaters and what was happening with AM as well. What happens to the ability for these isolated communities to receive alerts if all this goes away?

Mr. BERGMAYER. Senator, you are right, the coverage of radio is hard to beat and although funding for public media is only about .01 percent of Federal spending for particular stations, particularly in rural areas, it is a significant portion of their budget.

Senator LUJÁN. So as my colleagues are looking to identify funding streams for moving and advancing President Trump's tax policy, my question comes back to the major league teams in America.

We are having this discussion about how constituents across the country can get access to games. There is more and more deals being put together with streaming where people have to cough up more bucks out of their pocket to be able to get the stream.

There is tax policy, if I am not mistaken, that all of you benefit from from the United States. Am I correct in that, Mr. Gersh?

Mr. GERSH. I am not sure exactly what tax policy you are referring to.

Senator LUJÁN. Mr. Koenig?

Mr. KOENIG. Neither am I.

Mr. PROPER. I am also not aware.

Senator LUJÁN. That is good. So to my colleagues, they do not even know the tax deferment policy that they get advantages when they are making—when they are investing in stadiums with the revenue stream for the leagues. There might be another pay for that you all can find if they do not even know what this is.

The reason I was asking this question is if that tax policy is going to continue people should be able to get to watch games. My constituents and I love our favorite teams and love enjoying them and watching teams.

I have a buddy now that is collecting cards at an incredible pace and he has opened up a new business because of the success of players and the support of them with their marketing and things of that nature.

I am surprised that you are not familiar with that. I will do my due diligence to be able to get each of you a report from the Con-

gressional Research Service that explains the tax policy that benefits major league sporting teams in America.

I yield, Mr. Chairman. Thank you.

The CHAIRMAN. Senator Schmitt.

**STATEMENT OF HON. ERIC SCHMITT,
U.S. SENATOR FROM MISSOURI**

Senator SCHMITT. Thank you, Mr. Chairman. I am glad we are having this hearing.

So many things that we talk about in Washington back home nobody cares about. But this one actually people do care about a lot because they want to be able to watch their favorite teams.

And I am going to probably limit my questions to Mr. Gersh. It is too soon, Mr. Proper, to talk about the NHL, given what happened to the Blues with 1.7 seconds left in Winnipeg in game seven. It is just too soon so maybe another day.

But as we were talking beforehand, as a Cardinals fan and somebody who probably has way too much of an emotional reaction to a blown save in an April day game, this is what I do.

Like, I mean, I cannot live in the political all the time so baseball—the Cardinals is ultimately my great distraction and we have been really lucky on the radio side—

The CHAIRMAN. And if you are looking to recruit he swings a bat really well.

Senator SCHMITT. Yes. My time has passed, Mr. Chairman, I believe. But, you know, Harry Carey and Jack Buck and Mike Shannon, and I still have got the MLB app to just listen to the radio games when I am barbecuing for my family outside.

I mean, this is just—it is the cadence of the summer. It is—the rhythm of the game is something that—it is America's pastime and it is—in St. Louis at least it is almost like, you know, a civic religion. It is passed down from one generation to the next.

And I am also—so I am 49 so I am a Gen-Xer, and I feel like I have seen all of the phases of all this, right? You have got—when I was a kid growing up in the 1980s the only game—you know, you could listen on the radio but the only game you could maybe pick up was the NBC game of the week with, you know, Vin Scully and St. Louis and Joe Garagiola broadcasting those games.

And then—you know, and there was a time where the thinking was the more games you broadcast maybe people would not actually go attend the games and, of course, that was not true.

And then you get into the regional sports networks. ESPN starts broadcasting more games. St. Louis and Kansas City have some of the highest ratings when the regional sports networks existed, and now we are in this new phase and I am someone that would have the MLB app for radio.

I would—only during baseball season when I cut the cord actually buy the cable subscription, which was really expensive, just to see the Cardinal games when I was at home and we gravitated—you know, at first I had Sling because they carried the Cardinals.

Then it went to YouTube TV because they had the Cardinals and then they did not have the Cardinals. So it has been a journey for a lot of fans. So I guess in the time that we have remaining, I just wanted to ask you where is all this headed?

Because people want to see the games. The demise of, you know, the regional sports networks you have got now—I can—you know, I am on Amazon. I can get the Cardinal games on Amazon. This is the first year you can do that with the Prime package.

Are we headed to a place where the teams have their own platforms or maybe that does not work because you do not have the scale. But what is—where is this all headed?

Because it feels like, especially for baseball, it has been a little bit in flux the last couple of years and this is the question I get a lot, like, what is going on with all this stuff?

So in your view, what is happening? Where is this headed?

Mr. GERSH. Sure. It is a great question. First of all, thank you for your fandom and your continued support. We certainly appreciate that.

We are at this transitory time in the media ecosystem and we are at the point now where the Cardinals, like many other clubs, are on their regional sports network and at least there is now a direct to consumer service, which in this case is FanDuel Sports Net, which you can buy directly from them or through Amazon Prime.

Where this is going is a great question and I think, as the Commissioner has stated, he is looking to get to a more national product.

I think we would like to see more of our games available more broadly, more nationally, and then kind of have one place where fans know to go to watch their games that are not being broadcast nationally.

And so as we look to the next couple of years, our main rights deals come up after the 2028 season. That is what we are looking to achieve is a place where there is a—whether it is a national streaming package or MLB network becomes the home of local baseball but where there is one place that you go to know where your games are that are not being broadcast nationally.

Senator SCHMITT. So that would look like something like the MLB app. You subscribe and everyone then has access to their home market games or—and I guess it would not matter if you are traveling to D.C. and I want to watch the Cardinals I am not limited by the potential blackout, right?

So it is—there is a one-stop shop that MLB actually owns. Is that—

Mr. GERSH. Yes. Whether MLB—

Senator SCHMITT. I am not trying to ask you to get too far ahead but just curious.

Mr. GERSH. Yes. That is certainly one potential outcome. It may be the MLB app. It may be that we partner with an Amazon or an Apple or a YouTube or one of the other major streaming services and they become the home of baseball.

But I think the idea is to make it simpler for fans. We do understand the fan frustration now. We take that very seriously. There is nothing more important to us than making sure fans know exactly where to go to watch their game.

Senator SCHMITT. One final question while I got you. So every—I think every sport sort of translates a little bit differently to television. I mean, football is sort of just like—it works really well on the screen.

Hockey, I would argue, in person—a playoff hockey game in person is so fast it is hard to—sometimes it does not—you do not have to comment—it does not translate on TV. But when you are there it is incredible. Baseball is kind of this middle ground.

With younger people now with the scrolling and how the short YouTube clips and all this stuff, baseball is a longer form game. I am just curious, how does baseball view appealing to younger viewers knowing that their viewing habits are a little different?

Mr. GERSH. Yes, I think that is a lot of the changes that we have made over the past couple years is to, you know, the institution: the pitch clock and the restriction on the shift and the bigger bases, trying to make more action, and I think we have seen the results of that. Ratings have been up. Attendance has been up.

I actually think our general fan age is younger than we are given credit for because we moved a lot of our fans to digital sort of earlier than others and it got a little bit lost in the ratings.

But we are definitely focused on that and I think we have made a lot of improvements to the games over the past couple years that are now paying dividends.

Senator SCHMITT. Thanks. Thank you, Mr. Chairman.

The CHAIRMAN. Thank you.

Ranking Member Cantwell.

Senator CANTWELL. Thank you, Mr. Chairman.

Again, thank you to the witnesses. I am just trying to follow up on that last point, particularly about the consumer experience and what you just mentioned, Mr. Gersh.

So are you saying that you guys track and have metrics on fan frustration and input from consumers?

Mr. GERSH. Yes, I do not know that it is specific metrics or data but it is certainly something we hear. I mean, we get—you know, when a fan has MLB.tv if the game that they are looking to watch is in their local market and they get blacked out we hear about that, and so those are things that we are trying to address.

Senator CANTWELL. When you negotiate media rights are you negotiating both broadcast and streaming rights?

Mr. GERSH. Yes.

Senator CANTWELL. OK. And so by doing that you are limiting competition right there, right? I mean, the old model broadcasting rights everybody would bid and then you would decide, and then in the broadcast model you just rented my eyeballs. That is it.

You made me watch a lot of ads but I did not—you did not cost me anything, right? So you had a competition. Everybody bid. You decided what bid you wanted and then basically I got to watch it for free, although I had to watch some commercials.

Now, because you negotiate and you limit the streaming rights you are limiting the competition and you are creating the cost to the consumer and I would say it would be interesting if you were helping local media out by keeping broadcast rights with local media so that the team could negotiate with local syndicate and broadcasters.

But in reality what you are doing is basically you are using your marketability that we gave you on antitrust to leverage those broadcast rights and limit the streaming media rights, which could provide true competition to you.

And so that is what you are hearing from everybody here. Everybody here has been through this experience. Every—I will bet you every single member of this committee has been through this experience where they thought they were going to get something and they could not get it.

And so the question is whether we should continue to give you this antitrust exemption if, in fact, you are going to use your market power on broadcast to also limit market competition on streaming and not have the old model of broadcast competition anyway?

So you do not have the broadcast competition. Now you have this new streaming tool and you are basically clobbering the consumer, making everything more expensive.

And I will bet you do not have data. So, yes, you get into a fight with a local broadcaster and then you black out a bunch of people and they are also mad about that.

But, no, you are not collecting data. You are collecting checks. That is what you are collecting. You are collecting revenue.

Mr. Bergmayer, am I saying this correctly about the lack of competition and why we should reconsider this in the context of the—

Mr. BERGMAYER. Yes, I completely agree with you. I think in particular in return for the various public benefits that leagues and teams receive that there should be an obligation to make sure that the games are widely accessible and competitive.

Senator CANTWELL. So I do not think they would police any of this. So you then—because you control both the streaming and the broadcast rights then you sell something to somebody.

They do a horrible job of saying whether they really have the content. They advertise that they have the content and then you pay and you signed up for 6 months of the subscription.

Yes, how many people have time to get out of that when you go on and they do not really have the game?

So there is just so much happening here. So what is your suggestion, Mr. Bergmayer? What would we—what should we do now to help consumers out since we have too much control here and not enough focus on the consumer, you know?

I mean, most people would say, I want everybody to watch this stuff because I believe in the brand. I am pretty sure the Mariners would want everybody to watch. You know, they like their players and they would like people to see them. So—

Mr. BERGMAYER. I tend to think that the best balance is to just think about the difference between the local team in a community and then the out-of-market national type games, and I think it is a complete reasonable request of policymakers at the state, local, and Federal level to say in exchange for the public support you get, in exchange for the unique market power characteristics that teams have that make them very different than other entertainment products, that they work to make sure that games in the local market are available free of charge in some way, supported by ads like they were for decades.

Senator CANTWELL. So you would go that route? You think that is the most critical aspect of this?

Mr. BERGMAYER. I think taking care of the local fans and local markets is where I would have my first priority.

Senator CANTWELL. Well, I mean—and that is music to my ears because I care about local broadcasting. I do not think—I think the demise of local broadcasting is a big problem in the United States of America, and you have to have community and what better way to build community than around a sports team?

What about this issue of antitrust as it relates to the fact that these guys, really, they strangled it. For a long time they strangled streaming because they wanted to control it too and at the behest of trying to keep cable and keep broadcast.

But now you are back to—now you are back to they are just not doing an effective job of monitoring the people they sell the streaming rights or enable the streaming rights to and thereby the consumer gets clobbered with a bunch of nonsense where they cannot access what they really wanted. So what do you do about that?

Mr. BERGMAYER. Yes, I think there are reasons why you want to have there to be some coordination in the negotiation of media rights for leagues. So that does make sense.

But it cannot just be for free. I think it needs to be in exchange for a clear public benefit and I think that benefit would be availability of games in local markets for free and working to reduce the confusion and fragmentation of games and just, like, looking to keep their costs down overall.

Senator CANTWELL. Yes. Well, I am thinking about out of state. I am thinking about out-of-market games, right, or somebody who wants to follow.

Mr. BERGMAYER. Sure. Out of—

Senator CANTWELL. So I am saying that is—to me, that is a little different and I see my time has expired. But if you could help us for the record on this. I think what we are—there is just too much here where they can just think about the dollar instead of thinking about the true consumer experience.

And so I like your suggestion on local broadcasting but I still think we need something on the streaming media side that says we have a little bit more responsibility to the consumer to make sure that the consumer experience is not hijacked behind 6 months of a larger subscription that may or may not be related.

But I will write something for the record. Thank you, Mr. Chairman.

The CHAIRMAN. Thank you.

Senator Moreno.

**STATEMENT OF HON. BERNIE MORENO,
U.S. SENATOR FROM OHIO**

Senator MORENO. Well, thank you for being here. Chairman, thank you for putting on the hearing.

So a question to the three league representatives. What are your metrics? You have to have metrics, right, in terms of how many—and you talked about that a little bit in your testimony.

What are your metrics in terms of how you see the amount of games accessible? Is that something that you track in terms of being able to make decisions as to what you are doing in terms of—obviously, there is not really free games, just to be crystal clear.

There are games that you view with advertising paying for that privilege. But what are the—I am curious about what your metrics are? I will start with you, Mr. Gersh.

Mr. GERSH. Sure. If I understand your question, you are talking about how the games are—the metrics on availability of the games.

Senator MORENO. Right.

Mr. GERSH. And I think, you know, what we have looked at is what percentage of the fans in the home television territory can watch the games and are they available and, you know, historically they have been on RSNs, on Pay TV, distributed platforms.

And as I mentioned before, less and less people have been signing up for Pay TV, and then on the Pay TV systems they have been either higher tiered or not carried at all.

So we have been concerned where we have had in some cases, you know, only 35 percent of the fans in our territory could get access to those games.

So that is why we took a really strong look at this the past couple years and Commissioner Manfred's, you know, view to make the games more accessible where we now have direct to consumer offerings available in 29 territories. So for us, that covers the whole territory. For \$20 a month you can watch—

Senator MORENO. I am talking about that you do not have to pay a subscription—that you can watch the game with ads. What is your current metric and where—has that gone down or has that gone up? Has accessibility increased or decreased?

Mr. GERSH. It has actually—again, since I have been involved over the past two decades all the games have been on Pay TV. There were not a lot of freely available broadcast games for major league baseball.

So it has increased over the past couple years. Now a majority of our teams do make at least a package of the games available on free over-the-air TV. You know, whether it is 10 or 20 games they make those available, and at the national level, you know, we have our World Series and the All-Star game.

Our biggest events are on Fox Broadcasting, which is a freely available channel, and then we have been experimenting with new ways to make games for free. So our partnership with Roku, the games that we put on Sunday morning are freely available with—in—

Senator MORENO. So you do not have a target X percentage of games are available without paying subscriptions and you are trying to get that number to increase?

Mr. GERSH. We do not have a particular metric on that.

Senator MORENO. OK. Mr. Koenig.

Mr. KOENIG. Thank you, Senator.

Yes. As I said, the availability of games on free over-the-air television is very important to us. So on the national level we have 70—in our new deals that will start next year 75 regular season games and almost—depending on how long the playoff series goes another 40, 50 games available on free broadcast television, which is the most in NBA history and second maybe only to the NFL of any league, and it was something that was a real priority in our negotiations.

In local television, three years ago there was one team that put its games out on over-the-air television—free over-the-air television.

This past year we had 21 teams but at least some number of games available on free over-the-air television, a total of 570 games on free over-the-air television locally, which is the most in 20 years in the——

Senator MORENO. So you are seeing that number go up?

Mr. KOENIG. Absolutely.

Senator MORENO. And you track that and you watch that?

Mr. KOENIG. Yes.

Senator MORENO. Mr. Proper.

Mr. PROPER. So we totally agree with you, Senator Moreno. We are looking very extensively in how we can increase our over the air. Now, on a national basis that is a bit of a partnership where we have our relationships with ABC, for example, and it becomes however many games we can get on with windows. We try to.

But as Mr. Koenig said, at the local level it has really increased dramatically with the demise of the RSN business and what we have seen is we now have three teams whose all of their games are available over the air locally.

We have others who are very much exploring that and then—at that model and I think others that will adopt it.

We have also had teams adopting or trying out the model of making it available for free on the Internet so where they cannot get necessarily over-the-air coverage for all of their games they are trying to make every game free as an Internet product, which is a unique model that is just in its infancy.

Senator MORENO. Got you. In my short time remaining I would just ask you, the three of you, to respond—actually, the four of you to respond really quickly.

It seems with technology an infinitely solvable problem because if I am signed up for a streaming service I use some sort of identity validation of who I am.

Why would you penalize that person and not just make it so that you sign up in one place with that same credential and allows you to sign up in all of them and allow, for example—like, for example, Amazon—well, they know too much about me—but they know that I am a Max subscriber so they do not charge me for Max also.

Why do you not look at solutions like that? Because it seems to me for you, you want to make this easier for your fans.

Mr. GERSH. We agree with that and, in fact, if you buy MLB.tv on Amazon you can authenticate and watch it on our platform. We do not——

Senator MORENO. But not the local piece, though. It should automatically carry across all platforms in every way possible.

Mr. GERSH. I agree with that completely. It is just an issue of rights and getting the other side to do that. At MLB we have long—we have integrated with ESPN and Fox and all our cable distributors so that people can watch on our platform if they subscribe through Pay TV. Hundred percent agree with you that more of that should happen.

Senator MORENO. I am over time but let me just say this, my two cents. You guys solving this problem and making it more available,

easier, and less friction will be dramatically less painful than if this institution decides to give you rules and guardrails.

So option one, you solve it and it is great. Option B, not so great. The CHAIRMAN. Thank you.
Senator Rosen.

**STATEMENT OF HON. JACKY ROSEN,
U.S. SENATOR FROM NEVADA**

Senator ROSEN. Thank you, Chairman Cruz. I want to thank Ranking Member Cantwell, and I am really pleased that you are holding this hearing on such an important and emerging issue.

Well, because my state, of course, Nevada, but we have Las Vegas, and Las Vegas the entertainment capital of the world. We are home to all-star music performances, live shows, international events.

Over the past several years we have started to become the sports capital of the world as well, from hosting major UFC fights to being home of the Formula One Las Vegas Grand Prix, and we have seen major league sports become a bigger and bigger part of the Vegas sports and entertainment scene as well.

In fact, our first major professional sports team, the Las Vegas Golden Knights, established less than a decade ago and, of course, I am proud to say I think tonight is the first game of round two in the playoffs.

So I was traveling yesterday so I make sure—I think it is tonight. So anyway, go Knights. They are in the playoffs.

We are so proud of them and they are beloved in Las Vegas. They are a tremendous success that they have enjoyed in their first seven seasons in the NHL. It is unprecedented for an expansion team.

And the success does not end there. Our Las Vegas Aces won back to back WNBA championships in 2023. We added an NFL team when the Raiders opened their brand new state-of-the-art Allegiant Stadium in 2020 and last year we hosted a fantastic Super Bowl for the first time, and next up we have the A's bringing major league baseball to the great state of Nevada in 2028. Someday soon I am hoping that we will add an NBA team as well.

But just as Nevada's sports environment is changing how fans watch their team is changing. So Golden Knights, they have been doing a lot of innovation.

So over the past two NHL seasons, thanks to an agreement between the Golden Knights and Scripps fans across Nevada are able to watch the Knights free of charge over the air on local broadcast television.

The Knights have continued to innovate, creating an app experience called Knight Time where fans can access all Knights games live on their devices.

So, Mr. Proper, can you speak to how the NHL views the ability of teams to make these types of deals and to innovate with new ways to respond to fan demands and how these flexibilities really just benefit the fan experience, especially the local fan base, right?

Mr. PROPER. Absolutely, and great point, Senator Rosen.

We have been very, very positive in working with our clubs to find new models and the Vegas Knights model is an absolutely outstanding one, we think, for fans across the board.

As you mentioned, every game is over the air for free with Scripps other than the national games. You also have the ability to buy the package if you want to buy it as a digital product.

But what it has also allowed them to do is grow the business and grow what they are trying to do, grow their fan base. So what we have seen is that in their first year switching from the RSN model they had a 700 percent increase in their ratings.

What they have been able to do in terms of growing the fan base, particularly for a relatively new team, has been off the charts of what we have been trying to accomplish with every one of our teams.

And so what we have seen is this model has completely been vindicated as both affordable for fans, greater accessibility, and ultimately growing the fan base for the Knights, which has been their primary goal in doing these types of deals.

Senator ROSEN. Yes, it has been tremendous for Las Vegas and for them, and so I want to talk about innovation in other leagues.

So, Mr. Gersh and Mr. Koenig, I want to give you the opportunity as well. How do the MLB and NBA, as well as their teams, plan to meet the moment here and are there new models that you can point to in creativity and delivering to consumer demands?

Mr. Koenig?

Mr. KOENIG. Thank you, Senator.

Yes, the example of the Knights and the Aces too, which are on broadcast television, seems to be a trend.

Senator ROSEN. We love our teams in Nevada.

[Laughter.]

Mr. KOENIG. As well you should.

And is a trend that we see more and more. In this time of disruption in the cable universe more and more teams, as I have mentioned, have returned to broadcast television.

And it is kind of a hybrid approach. For the people who watch through traditional television more games on free over-the-air stations is certainly a benefit, and for the people who are digital natives who maybe never subscribed to pay television having the games—every game also available through streaming platforms, which is something that the WNBA and the NBA teams are increasingly doing, all but one of our teams has all of their games available on a streaming platform—local games.

We find that that ladder enables us to do a couple of things. It allows us to provide a lot more choice and personalization in different audio-video feeds and fantasy and things like that.

But what it also enables us to do, which is something that we have discussed with other senators, is provide access and discoverability in a world that is more and more fragmented.

That digital—the NBA app and the WNBA app, for example, can be the entry point. You may not know which channel the Aces are on if it is not a national game but if you go to the WNBA app you will be able to click right on the game and go directly there.

It is on a digital platform. You will be able to access your games. And we are going to even do that beyond just the NBA and WNBA apps.

We are going to do that through a number of other partner and team relationships. You might be able—when you order food to watch a game you will have an opportunity to click from that food delivery app directly to a game telecast.

We are working all this out to make it—because one of the issues that this committee rightfully focused on in calling this hearing is fragmentation and we think there are a lot of ways to deal with that, particularly through the digital distribution.

Senator ROSEN. Mr. Gersh, if you go quickly. I am over my time. We do not want to leave out baseball.

Mr. GERSH. Right. I will say I agree with what both of my colleagues have said, and with the athletics in particular one of the other ways we are giving optionality is their direct to consumer service is both directly—available directly right on MLB.tv this year if you just want to buy the athletic games.

And then we also let NBC put it on Peacock as an upsell to Peacock if you want the full RSN. So just continuing to find ways to give fans more options to watch their games is what we are focused on. Thank you.

Senator ROSEN. Thank you.

The CHAIRMAN. I would mention if the NBA could somehow reduce Steph Curry's shooting percentage that would really help for my Rockets, who went through a very painful series, and I would also like to check to see if Mr. Curry is, in fact, a space alien.

[Laughter.]

The CHAIRMAN. And with that, I recognize Senator Markey.

**STATEMENT OF HON. EDWARD MARKEY,
U.S. SENATOR FROM MASSACHUSETTS**

Senator MARKEY. That shooting did ruin this year's bet between the Chairman and the Senator from Massachusetts. I won last year's bet on the Dallas-Celtics series and I was hoping, actually, that Steph Curry's shooting percentage should go down.

And, by the way, the Celtics shooting percentage should go up a little bit from last night in three pointers, OK, but—and I think that will occur.

So we thank you all for being here. As an avid sports fan I know the frustration of having to keep up and pay for numerous apps to watch your favorite team.

But today I want to address a related but urgent threat to public access to media more broadly. Last week President Trump unleashed a series of attacks on public media and the Corporation for Public Broadcasting including an executive order that attempted to force the Corporation for Public Broadcasting to cease funding for PBS and NPR.

He also proposed to end all funding for the Corporation for Public Broadcasting in his 2026 budget request. Eliminating the Corporation for Public Broadcasting would devastate hundreds of local public media stations that rely on CPB to serve their communities, especially in rural and low income areas.

From “Arthur” to “PBS NewsHour” from tornado alerts to rural states to local debates in city halls, public media has always been there, not because it turns a profit but because it serves the public.

These stations connect our country from rural towns to urban centers and provide news and culture and children’s programming without commercial influence. Cutting off CPB funding will not hurt elites in Washington. It will hurt children in underserved classrooms who rely on “PBS Kids.”

PBS is the children’s television network from 6 a.m. in the morning, and children for generations of all races, all incomes, have relied upon the Public Broadcasting System to provide that information.

It will hurt seniors in rural communities who trust their local public radio stations for news and weather and emergency information. It will hurt the civic fabric of this Nation at a time when polarization and division are already corroding our shared sense of truth.

Mr. Bergmayer, do you agree that public media plays a vital role in ensuring all Americans, regardless of income or geography or race, have access to trustworthy information?

Mr. BERGMAYER. I do, Senator, and I believe it is especially important in rural areas throughout the country.

Senator MARKEY. Do you agree that public media plays an important role in ensuring that children of all ages and backgrounds have access to educational and enriching programming which has served generations of American children?

Mr. BERGMAYER. Yes, I do, and as a parent my kids loved PBS programming. I think noncommercial children’s programming is very important.

Senator MARKEY. Do you agree that public broadcasters play a central role in communicating emergency information during extreme weather or any other emergency?

Mr. BERGMAYER. Yes, I do.

Senator MARKEY. So thank you for that.

OK. We are going to have a major debate here in the Congress over the role of the Public Broadcasting System, NPR and PBS and all of those local stations.

This is a debate which we are going to have and I just think it is very important that everyone understand that the Corporation for Public Broadcasting represents a promise that every American, no matter their income or their background or their zip code, deserves access to free—absolutely free education, culture, local reporting, and trusted information.

We must reject this attempt to silence the truth and instead recommit to the public interest, to local storytelling, and to the democratic values that public broadcasting has upheld for our generations.

And we must protect the children, especially the poorest children in our society, who may not have access to all of the apps that we have been hearing today but do have access for free to the public broadcasting of their local communities.

The American people are not asking us to defund Big Bird. They are asking us to defend Big Bird and all that it represents in our society’s history.

So I thank you, Mr. Chairman.

The CHAIRMAN. Thank you, Senator Markey.

I want to thank each of the witnesses for your testimony today. Senators will have until the close of business on Tuesday, May 13, to submit questions for the record.

Witnesses will have until the end of the day on Tuesday, May 27, to respond to those questions.

And that concludes today's hearing. The Committee stands adjourned.

[Whereupon, at 11:41 a.m., the hearing was adjourned.]

A P P E N D I X

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. MARSHA BLACKBURN TO KENNY GERSH

Question 1. AI is playing an increasingly crucial role in the sports industry, from enhancing player performance and injury prevention to improving fan engagement and media consumption. For example, the NHL is using generative AI to bring in a younger audience by using NHL EDGE Positional Data to animate the action of select NHL games for children. While generative AI offers many benefits, this technology is ripe for abuse as many of these tools implicate sensitive legal issues such as athlete publicity rights, data privacy considerations, and copyright protection. What are some of the ways your leagues are currently using generative AI and how will you ensure it is used safely in the future?

Answer. MLB is exploring the use of generative AI to bring new technology to our fans in more efficient ways as we continue to assess use cases that enhance the fan experience safely and securely. Our engineers who develop our apps, video games, streaming services and other digital products employ generative AI to support their work as do business groups throughout our offices, leveraging enterprise-wide tools as we work to grow the game for our fans. We are currently testing the incorporation of generative AI-based services to provide fans at games with information and assistance within our Ballpark app. We continue to evaluate ways to bring our fans more tools and features while prioritizing protecting fans' data, our intellectual property and the security of our digital products and services.

Question 2. Retransmission consent enables broadcasters to charge MVPDs a fee for the right to retransmit local signals. Streamers are not currently subject to MVPD retransmission consent requirements. However, the FCC has previously considered subjecting streamers to MVPD rules by reclassifying them as MVPDs. While the FCC did not publish a final rule, a significant question exists as to whether the FCC has the statutory authority to do so. If the FCC were to reclassify streaming platforms as MVPDs for purposes of retransmission consent requirements, what impact would this have on your respective leagues and fan experiences? Would this increase the number of potential blackouts?

Answer. As a leader in the online video distribution ("OVD") market, we do not believe that such regulation would be beneficial to our fans. The OVD market is already providing consumers with more choices than ever before to watch high-quality television programming on personal computers, tablets, smart phones and other Internet-connected devices. Imposition of additional regulation may limit, rather than increase, consumer choice. Further, we do not see how this regulation would help positively address blackouts for our fans. In our view, the better course is to continue to let this emerging market of increased consumer choice develop.

If and to the extent that the Commission determines to implement new regulations in this area, it should at minimum exclude OVDs that make available only content that they or their affiliates own or otherwise have the right to make available.

Question 3. The sports media landscape is experiencing increasing fragmentation with the rise in streaming services and digital platforms. We have seen a decline in the traditional modes of broadcasting. Are you concerned that fans in rural or underserved broadband areas are being left behind as your leagues transition away from traditional broadcast to digital platforms? How are your leagues planning to ensure American consumers, especially older and less tech-savvy ones, aren't left behind in the shift away from traditional broadcasting?

Answer. Currently, we view the distribution of our games on digital media platforms as being complimentary to, not in place of, traditional methods of distribution. As of today, over 95 percent of our 2,430 regular season games remain available via traditional broadcasting methods. In addition, our most important events, the World Series and All-Star Game, along with approximately 60 exclusive nationally broad-

cast regular season games continue to be made available on FOX, an over the air broadcast network.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. ERIC SCHMITT TO
KENNY GERSH

Question 1. In your testimony, you describe the decline of the RSN model and how it's created challenges for fan access. The St. Louis Cardinals have historically had one of the strongest RSN relationships in baseball, but recent bankruptcies and consolidations have brought this relationship into question. How specifically is MLB working with teams like the Cardinals to ensure fans don't lose access during this transition period?

Answer. We are very focused on making sure local fans can watch their games. Faced with the crisis hitting the Regional Sports Network business, MLB built out the capability to produce and distribute live baseball games directly. Due to MLB's preparation and efforts, when certain RSNs shut down or dropped the rights to carry an MLB team, MLB was able to step in to immediately produce and distribute those games, ensuring there was no interruption to our fans, who were able to watch those games on the same Pay TV systems that had previously carried them as well as via new direct to consumer offerings available to every fan throughout each team's home television territory. Currently, MLB produces and distributes games for the San Diego Padres, Arizona Diamondbacks, Colorado Rockies, Minnesota Twins and Cleveland Guardians. Should the St. Louis Cardinals or any other MLB team no longer have a viable third-party option to distribute their games locally, MLB will have the capability to make sure those games are produced and distributed with limited or no disruption to their fans as we have successfully done to date in the markets mentioned above.

Question 2. Both the Cardinals and Kansas City Royals have recently begun simulcasting some of their games on their RSN as well as on free over-the-air local broadcast channels. These games have seen record-high viewership, with a recent Royals game that was simulcast on broadcast coming in as the most watched Royals game in the last three years. Given the recent decline in broadcasting revenue under the restructured RSN deals, how is MLB evaluating the trade-off between legacy RSN exclusivity and broader fan access?

Answer. Each MLB club continues to evaluate the best method to distribute games to its fans, which in most cases today includes a combination of delivery via Pay TV on RSNs, direct to consumer offerings and over the air broadcasts. As RSN contracts have been renegotiated or renewed, many Clubs, such as the St. Louis Cardinals and Kansas City Royals, have negotiated for the right to make a portion of their games available via over the air broadcasts. For the 2025 MLB season, a majority of our Clubs make a package of games available via free over the air television.

Question 3. More specifically, does MLB see hybrid or fully over-the-air models as a viable long-term solution to ensuring both financial stability for clubs and accessibility for fans, particularly in mid-sized markets like St. Louis and Kansas City?

Answer. As stated above, each MLB club continues to evaluate the best method to distribute games to their fans. While over the air models provide enhanced reach, the current models are not sufficient to be viable solutions to ensure financial stability to Clubs, often bringing in less revenue per game than the cost of production. However, we presently believe in the value of continuing to offer at least a portion of games available via over the air broadcast as part of MLB's overall media strategy. Our most important events, the World Series and All-Star Game, along with approximately 60 exclusive nationally broadcast regular season games are today made available on FOX, an over the air broadcast network, and a majority of our Clubs make a package of games available via free over the air television, including the five teams for which MLB handles distribution directly.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. MARIA CANTWELL TO
KENNY GERSH

Tariffs. On May 5th, President Trump escalated his trade war by announcing tariffs on foreign-produced media. Markets reacted sharply, with major media stocks tumbling amid uncertainty over the scope and impact of the move. Although the President suggested the tariffs may apply only to films, the vague announcement has left companies bracing for broader trade penalties.

Major League Baseball has a team based in Canada, plays games internationally, and is actively promoting American sports to global audiences.

Question 1. How has the uncertainty about how these tariffs will be applied impacted your current and future investment and planning activities?

Answer. To date, uncertainty about how these tariffs will be applied has not had measurable impact to those activities with respect to our media business.

Local Broadcasting and Sports Media. A 2023 survey found that 35 percent of respondents found sports video content too expensive, 30 percent said they did not know which channel was broadcasting the event they were trying to watch, and 28 percent did not know which platform to watch.

With the growing fragmentation in the media market, fans are no doubt frustrated with solving the puzzle of how to watch games, what platform to tune in to, and often realizing on short notice that a game is unavailable in their market.

Question 1. The National Football League has a policy to ensure that fans in a team's local market can access the game for free over the air, regardless of how it is distributed nationally. Have you considered a similar policy for baseball? If not, why not?

Answer. Unlike the NFL, which manages distribution of all local rights centrally, at present MLB's local media distribution rights are not managed by central baseball but by the individual Clubs.

Fan Satisfaction and Experience. Historically speaking, the evolution of professional sports in the United States has gone hand-in-hand with the rise of radio and television broadcasting. The first nationally televised sports broadcast was a college baseball game between Princeton and Columbia in 1939. A few months later, the NFL's first televised game was broadcast on NBC.

Today, professional sports boast record-breaking media deals with a variety of platforms, yet carriage by local broadcasters remains common among the major leagues.

Question 1. What specific metrics do you track regarding fan frustration with your current streaming and broadcast arrangements?

Answer. MLB routinely conducts fan research to understand our fans' viewpoints on a range of issues. In addition, we monitor social media for fan sentiment and do hear from fans when they are frustrated. As we have made more and more games available via direct to consumer offerings, with 29 of our 30 MLB teams now available this way, we have seen a reduction in fan complaints about local blackouts. We also feel it is important to experiment with different methods of making our games available to fans to explore which platforms show the greatest potential to reach the most fans in the future.

Question 2. Have you researched how many potential viewers you're losing due to complexity and cost barriers?

Answer. We believe that the steps we have taken to address these issues have mitigated complexity and cost barriers for our fans and put our content in more of our fans' hands than ever before. Because we are presently distributing games through a combination of delivery via Pay TV, direct to consumer offerings and over the air broadcasts, we continue to advance our goal of meeting our fans where and how they want to watch our games. As media consumption has shifted over time, we have taken steps to address these barriers for our fans in local markets, for example by expanding the choices available to consumers who have elected not to subscribe to a Pay TV service as well as in the wake of the migration by distributors of RSNs to lower-subscribed and more expensive sports tiers, rather than as part of the expanded basic packages in which they had historically resided.

The Future of Sports Media. Your testimony at this hearing was informative and shows that sports programming is thriving in a bustling media landscape. Clearly, fan demand for sports isn't slowing down any time soon. But as I highlighted in my opening statement, it is important to ensure that rising costs for sports content don't come at the expense of the fan experience.

Question 1. Where do you see the future of sports media going in the next five years?

Answer. With respect to MLB, as existing contracts expire, we hope to partner with entities that will make our games available to the broadest possible audience and continue our efforts to eliminate territorial restrictions, all toward the goal of making our games available to any fan who wants to watch them regardless of location.

Question 2. What is your league doing to maximize access to fans who subscribe to your streaming services?

Answer. With one exception, each of our thirty Clubs now makes available via streaming all of their locally televised games, complementing the league's streaming service that makes each locally broadcast game available outside of the applicable local territory. We believe it is important to also broadcast some of our games to a national audience outside of our subscription services on widely available platforms such as FOX, ESPN and Apple TV. Those national game broadcasts consist of less than 6 percent of our 2,430 regular season games.

Sports Broadcasting Act and Antitrust Protections. The Sports Broadcasting Act of 1961 grants antitrust exemptions to the major professional leagues, allowing their teams to pool media rights and use their market power to negotiate broadcasting deals. The leagues have benefited from this legal exemption, yet as we see more fragmentation in the media landscape, due in large part to the rise of streaming platforms, it seems consumers are left behind, whether it's blackouts in the local market or subscriptions that still don't get you the games you expect to watch.

Question 1. An antitrust exemption is extremely valuable to the leagues. Why should the government continue to grant these extraordinary legal protections to leagues?

Answer. Pooling broadcasting rights is a fan friendly, market efficient practice that has resulted in a tremendous increase in output. MLB's pooling of rights in creating MLB Advanced Media allowed the league to innovate and revolutionize, which resulted in MLB being the first league to stream live games, beginning with websites and then to mobile. While MLB is comprised of 30 Clubs competing on the field, it most effectively and efficiently operates as one entity at times in order to create the best and most widely accessible entertainment product for its fans.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. MARIA CANTWELL TO
WILLIAM KOENIG

Seattle Supersonics. In 2008, the Sonics left Seattle for Oklahoma City and broke the hearts of millions of die-hard fans. It's been 17 years, and Seattle is still the largest market in the country without an NBA team.

Question 1. When will the NBA return to Seattle?

Answer. The league is currently in the early stages of evaluating the potential for future expansion. Beyond that, we have no further information at this time, including any timetable or comment on any possible location for expansion.

Tariffs. On May 5th, President Trump escalated his trade war by announcing tariffs on foreign-produced media. Markets reacted sharply, with major media stocks tumbling amid uncertainty over the scope and impact of the move. Although the President suggested the tariffs may apply only to films, the vague announcement has left companies bracing for broader trade penalties.

The NBA has a team based in Canada, plays games internationally, and is actively promoting American sports to global audiences.

Question 1. How has the uncertainty about how these tariffs will be applied impacted your current and future investment and planning activities?

Answer. Like every other global business, we are monitoring developments in this area closely and we remain in ongoing dialogue with our partners around the world on this topic.

Local Broadcasting and Sports Media. A 2023 survey found that 35 percent of respondents found sports video content too expensive, 30 percent said they did not know which channel was broadcasting the event they were trying to watch, and 28 percent did not know which platform to watch.

With the growing fragmentation in the media market, fans are no doubt frustrated with solving the puzzle of how to watch games, what platform to tune in to, and often realizing on short notice that a game is unavailable in their market.

Question 1. The National Football League has a policy to ensure that fans in a team's local market can access the game for free over the air, regardless of how it is distributed nationally. Have you considered a similar policy for the NBA? If not, why not?

Answer. We evaluate all distribution strategies with the goal of maximizing access to our games and providing consumers with flexibility in how they watch. This work has included analyzing the approaches taken by other leagues in distributing their games, and the extent to which potential distribution options are able to accommodate a full schedule of game telecasts.

Fan Satisfaction and Experience. Historically speaking, the evolution of professional sports in the United States has gone hand-in-hand with the rise of radio and television broadcasting. The first nationally televised sports broadcast was a college baseball game between Princeton and Columbia in 1939. A few months later, the NFL's first televised game was broadcast on NBC.

Today, professional sports boast record-breaking media deals with a variety of platforms, yet carriage by local broadcasters remains common among the major leagues.

Question 1. What specific metrics do you track regarding fan frustration with your current streaming and broadcast arrangements?

Answer. The NBA fan experience is a critical area of focus for us, and that focus is reflected in our ongoing data collection and analysis relating to our game telecasts. For example, we measure viewership and engagement for each game telecast (and for each stream available to our fans), including in-depth assessments that help us determine which aspects of telecasts engage viewers most effectively. We also monitor social media and e-mail feedback from fans on an ongoing basis to measure fan sentiment about the game viewing experience. In addition to these ongoing monitoring efforts, we periodically conduct surveys to measure fans' engagement with NBA telecasts across platforms—including what they do and do not like about the viewing experience.

Question 2. Have you researched how many potential viewers you're losing due to complexity and cost barriers?

Answer. We regularly monitor the consumer media landscape to understand how our fans consume content, including which platforms and distributors they have access to and use regularly. We use this and other data to inform our approach to bringing live game content to our fans as effectively and as broadly as possible. For example, the negotiations of our new national media agreements were informed by this research.

Supporting Women's Sports. 2024 was a banner year for women's sports, as viewership increased by 131 percent. In particular, the WNBA saw its most-watched regular season ever, with game telecasts averaging at least one million viewers each. Building off this momentum, the WNBA signed a massive \$2.2 billion media rights deal with Disney, Amazon Prime, and NBCUniversal.

Question 1. Mr. Koenig, I understand that the NBA helps broker these media contracts for the WNBA and that you were a part of negotiations. How is the WNBA capitalizing on the growing interest and fan following when looking to the future of the sport?

Answer. Last season was a record-breaking year for the WNBA by any measure, and the league is well positioned to continue its growth this season and beyond. In the wake of the new national media deals that were announced last year, the WNBA has retained the right to license national game rights to additional partners starting in 2026 and has already seen significant interest from market players. The league is also continuing to expand its footprint, with new teams coming aboard in the Bay Area, Toronto, and Portland.

As previously announced, the WNBA is also making certain changes to the playoff format beginning this season. The WNBA Finals will be changed from a best-of-five series to a best-of-seven series, and the first round of the playoffs will be changed from a best-of-three series with the first two games played in one location to a 1-1-1 format that will ensure each participating team will get to play at least one playoff game on its home court in front of its hometown fans.

Question 2. How are media deals like the one the WNBA just secured creating opportunities to reinvest in the sport and build the next generation of athletes?

Answer. By maximizing the value of our content and generating fair market value for WNBA rights, we are able to generate the resources necessary to reinvest and grow the WNBA.

The Future of Sports Media. Your testimony at this hearing was informative and shows that sports programming is thriving in a bustling media landscape. Clearly, fan demand for sports isn't slowing down any time soon. But as I highlighted in my opening statement, it is important to ensure that rising costs for sports content don't come at the expense of the fan experience.

Question 1. Where do you see the future of sports media going in the next five years?

Answer. The media industry is undergoing one of the most dynamic periods of change in recent memory, driven largely by technological innovation and changing viewing habits. Over the next five years, we expect this pace to continue—and potentially accelerate—as emerging technologies such as artificial intelligence and vir-

tual reality reshape how content is created, distributed, and discovered. These forces will introduce new opportunities for personalization, interactivity, and engagement, but they also make the broader landscape harder to predict.

Our new national media arrangements establish an 11-year hybrid distribution model involving Disney, NBC Universal, and Amazon. These agreements span over-the-air broadcasting, pay television, and streaming, striking a balance between serving existing traditional TV audiences and reaching digital-native viewers who primarily consume content via streaming. This multi-platform strategy ensures broad access today while positioning us to adapt as consumption habits continue to evolve.

Question 2. What is your league doing to maximize access to fans who subscribe to your streaming services?

Answer. To maximize access for streaming subscribers, every nationally televised NBA game will be available on broadly distributed platforms: Amazon Prime Video, Peacock, and ESPN's forthcoming direct-to-consumer service. For example, Prime Video—our sole streaming-only partner—already reaches over 100 million U.S. households (almost two-times the number of any cable network) and nearly 90 percent of NBA fans already view non-NBA programming on Prime Video.

Beyond availability, streaming offers consumers enhanced viewing experiences. Fans will have greater access to personalized features such as advanced statistics, immersive camera angles, and customizable audio or language options, which provide greater control over how they watch NBA games.

To improve discoverability, we are working with all our media partners to enable the NBA App and other league and team platforms to serve as universal entry points for national and local game telecasts. Whether checking scores or trying to locate a telecast, fans can open the NBA App and be directed to the appropriate streaming platform seamlessly.

Sports Broadcasting Act and Antitrust Protections. The Sports Broadcasting Act of 1961 grants antitrust exemptions to the major professional leagues, allowing their teams to pool media rights and use their market power to negotiate broadcasting deals. The leagues have benefited from this legal exemption, yet as we see more fragmentation in the media landscape, due in large part to the rise of streaming platforms, it seems consumers are left behind, whether it's blackouts in the local market or subscriptions that still don't get you the games you expect to watch.

Question 1. An antitrust exemption is extremely valuable to the leagues. Why should the government continue to grant these extraordinary legal protections to leagues?

Answer. Consumers benefit in a variety of ways when a sports league negotiates for the nationwide distribution of game telecasts pursuant to the SBA. Among other things, such agreements promote the availability of some of the league's most attractive games to the widest possible audience, incentivize innovative and high-quality telecasts, and help build and maintain nationwide fan interest for the league. In addition, because the revenue from the league's sale of nationwide rights is divided equally among all the league's teams, a league's ability to negotiate national agreements promotes competitive balance and the existence of a more entertaining, fan-friendly product.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. AMY KLOBUCHAR TO
WILLIAM KOENIG

Topic: Local Broadcasters

Local broadcasters are trusted community members that can help reach, build, and sustain a fanbase. In turn, the revenues from marquee sporting events allow broadcasters to continue to invest in local newsrooms and their communities. But streaming risks upending this relationship.

- How do you plan on continuing to leverage local broadcasting to reach NBA and WNBA fans?

Answer. Bringing game telecasts to our fans is of critical importance to the NBA and WNBA. Our teams continually seek to optimize the distribution of their local telecasts, through both traditional linear television (including broadcast) channels and streaming services.

In recent years, teams with games telecast on RSNs have been significantly adversely affected by "cord cutting," carriage disputes, and repositioning of RSNs to more expensive, lesser-penetrated programming tiers. In response, a number of teams have shifted from RSNs to a combination of local over-the-air broadcasts and digital direct-to-consumer distribution for their game telecasts. In each such case, teams have been able to reach more fans. In fact, this season there were more local

game telecasts available on free over-the-air stations (570) than at any time in the last 20 years. Twenty-one of our 29 domestic teams distributed games on broadcast stations this season (compared to just one team only three years ago). Additionally, next season the number of nationally televised games on free, over-the-air broadcast networks will increase fivefold, from 15 to 75. The number of playoff games on broadcast will also double, including every game of the NBA Finals.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. MARIA CANTWELL TO
JOHN BERGMAYER

Public Media. As I mentioned in my opening statement, while the topic of this hearing is sports broadcasting, I would be remiss if I did not use this opportunity to draw attention to the illegal attacks the week of April 28th by the current Administration on local public broadcast stations across this country.

Public broadcasting and the non-partisan, non-profit Corporation for Public Broadcasting serve a critical role by supporting local newsrooms, developing children's and educational programming, and keeping Americans safe with emergency alerts.

On May 1, the President signed an Executive Order to defund National Public Radio and the Public Broadcasting Service. But the actions targeting the Corporation for Public Broadcasting that the Administration intends to use to inflict pain on NPR and PBS harm the local broadcast stations that partner with these organizations. The community service grants issued by CPB to the individual public stations can account for 30 to 70 percent of a station's operating budget.

Question 1. Mr. Bergmayer, how will the Administration's actions harm public television and radio stations across the country?

Answer. The fact is, most of the funds from CPB don't go to NPR and PBS's national organization, but to over a thousand locally-owned stations. The cut in funding directly impedes journalists' ability to serve the public interest, whether through reporting on local news, or sharing public safety information.

Question 2. What will be the impact on the public, particularly in rural regions?

Answer. The local news crisis continues to worsen, and the harms are even more pronounced in rural areas of America. Cutting this funding will expand news deserts, impeding access to crucial information, especially as a stopgap or fail-safe for emergency broadcasts. It also means cutting free educational programs for young kids, like *Reading Rainbow*. Such an educational program is especially important for children in rural and underserved communities, where alternative educational resources are scarce.

Public broadcasting stations contribute to local economies by not only employing local journalists and support staff, but also by supporting local businesses through content production and features. Without funding, many local stations will downsize or shutter, threatening livelihoods of its staff.

Public Media and Local Journalism. Grants from CPB support nearly 400 public radio stations across the country, which employ nearly 9,800 people, including 3,000 local journalists, editors, and producers. With their signal reach, particularly in rural areas, public radio stations can help to slow the spread of "news deserts," or areas that have no source of local news.

Of the 204 "news desert" counties identified by the State of Local News Project, 67 are served by local public radio signals. Newsrooms have lost over 60 percent of their newsroom employees over the last two decades. Meanwhile, public radio has added 900 local newsroom employees since 2012.

Question 1. How does public media enhance local journalism?

Answer. With the rapid decline in number of U.S. newspapers, public media fills some important gaps in providing essential coverage, particularly for local issues. Public radio and television stations anchor communities, delivering reporting on local government, schools, public health, housing policy, and more. Local journalism is also crucial for the democratic process, providing integral information for communities to participate in elections.

Because public media do not need to rely on advertising or rapid story turnarounds for funding, they can invest time in long-form journalism, documentaries, and investigations, bringing to light systemic issues, like broadband inequality or voting access.

Question 2. What role do local public broadcasters play in informing their communities?

Answer. Local public broadcasters provide critical coverage of local events, government proceedings, and emergency alerts. Stations rely on CPB funds not only for

news reporting, but also for emergency alert infrastructure. Without CPB funding, Americans in underserved areas may lack access to these essential services, leaving communities without timely and reliable information during emergencies, especially natural disasters.

Local Broadcast. It's no secret that local broadcasters are struggling in the changing marketplace. This means fewer resources for local content, including vital sources of local journalism. This is partly due to less advertising revenue for local stations. Sports are often the most attractive programming for advertisers.

Question 1. If more sports were added to broadcast TV, wouldn't that lead to more revenue for other important functions that local broadcast serves?

Answer. Yes, that is likely correct. Often, popular content such as local sports generates ad revenue for broadcasters that can be used to support vital services such as local journalism, and emergency alerts. Viewers tuning in to local broadcasters for sports are also more likely to view this content more.

Rising Costs to Consumers. We've seen media consumption trends shift over the past decade-plus towards streaming, with more and more households cutting the cord in favor of online platforms. Sports is no exception: a report released recently finds that 58 percent of viewers report watching sports on the go via streaming.

A survey from 2024 also found that younger viewers are more likely to pay to access content from their favorite teams or leagues. Yet the deals these professional leagues have signed often require two, three, or sometimes four separate subscriptions to access games either exclusively online or out-of-market.

Question 1. Has the variety of streaming services driven up costs for consumers?

Answer. The advantage of streaming is that viewers can pick and choose what services they subscribe to, and can more easily subscribe and unsubscribe to services based on the availability of content than they could, for instance, drop or re-subscribe to a premium cable channel. This is a major advantage over one-size-fits-all cable bundles.

However, as the number of services has risen, and the cost of subscriptions for each service has trended upward, some viewers may not be saving money, especially if they are attempting to have access to the same array of content they might have had access to via a cable or satellite subscription.

According to data from Leichtman, the average number of SVoD/DTC services per household has risen to 4.1 (up from 2.9 in 2020), with younger adults aged 18–44 subscribing to 5.1 services on average, compared to 3.7 for those aged 45–64 and 2.2 for those 65 and older.¹ Deloitte has found that “US households are spending more on streaming video subscriptions, but they may be reaching their limits. On average, U.S. subscribing households spend US\$61 per month on four SVOD services. Additionally, 68 percent of consumers surveyed pay for either a TV subscription or live streaming TV to not only access content not available on streaming video, but also streamline billing for both broadband and TV and access SVOD through their pay TV service. For many U.S. households, it may be getting more expensive to watch TV and films at home.”²

While an abundance of choice is not a bad thing, viewers might object especially when content that used to be available on one service migrates to a new one, especially when they now have to subscribe to multiple services just to keep accessing the same things.

This is especially notable with sports. Most people want to watch a particular team, and a particular sport, not “sports” in general. When a sport, and a team's games, are split across multiple services, sports fans are more likely to have to subscribe to multiple services to avoid missing games. (And as games are time sensitive, people sometimes find out they can't access a particular game right as it's about to air.) Finally, with sports, viewers are more likely to subscribe to a comparatively expensive vMVPD or MVPD service (starting at around \$90/month).

Of course, all categories of programming are split across different services. But the situation with sports is like if most episodes of a popular TV show were carried

¹Research: 83 percent U.S. Homes Have 'Big 3' SVoD, Advanced Television (Aug. 10, 2023), <https://www.advanc> Streaming video at a crossroads: Redesign yesterday's models or reinvent for tomorrow?, Deloitte (March 20, 2024), <https://www2.deloitte.com/us/en/insights/industry/technology/digital-media-trends-consumption-habits-survey/2024/customization-and-personalization-lead-the-svod-revolution.html>led-television.com/2023/08/10/research-83-us-homes-have-big-3-svod/

²Deloitte, Streaming video at a crossroads: Redesign yesterday's models or reinvent for tomorrow? (March 20, 2024), <https://www.deloitte.com/us/en/insights/industry/technology/digital-media-trends-consumptionhabits-survey/2024/customization-and-personalization-lead-the-svod-revolution.html>

exclusively on Paramount+, with a few “very special” episodes on Netflix with the season finale on HBO Max. In addition to being costly, it’s annoying.

Question 2. Are there benefits for consumers that are looking for more a la carte or individualized sports packages that streaming can offer?

Answer. Yes, the flexibility that streaming allows allows for offerings that were not possible before—unlike with cable or satellite, the primary bottlenecks are economic, as there are no last-mile bandwidth limitations.

Fans of niche sports, and fans of out-of-market teams, in particular have more access than they did before streaming.

Sports Broadcasting Act and Antitrust Protections. The Sports Broadcasting Act of 1961 grants antitrust exemptions to the major professional leagues, allowing their teams to pool media rights and use their market power to negotiate broadcasting deals. The leagues have benefited from this legal exemption, yet as we see more fragmentation in the media landscape, due in large part to the rise of streaming platforms, it seems consumers are left behind, whether it’s blackouts in the local market or subscriptions that still don’t get you the games you expect to watch.

Question 1. What impact does the Sports Broadcasting Act have on out-of-market viewership?

Answer. By allowing teams to pool broadcast rights, we see less innovation and experimentation in how sports programming is offered—and establishes patterns that are followed with streaming deals. For example, out-of-market MLB games are available through services from MLB itself: teams that offer their own streaming packages or add-ons generally restrict them to their home market.

Question 2. Should Congress consider policies to improve access for consumers in light of increased streaming competition?

Answer. I think the best place for policymakers to focus is to make sure that viewers can access in-market games for free (and supported by ads) over local broadcast, or via streaming services limited to their own market. This is a fair tradeoff for the antitrust exemptions and stadium and tax deals sports benefits from, and strengthens a team’s ties to its local community. With respect to the question about out-of-market fans above, I have no problem with teams or leagues offering those as subscription products, but they should be simple, and preferably one-stop-shops, so that viewers don’t need a whole new service when their team is carried nationally or makes the playoffs.

Broadband Competition and Affordability. The rise of streaming services means that more sports than ever before are available to watch. For example, during the 2024 Paris Olympics, every sport, no matter how obscure, and every heat, preliminary round, or trial was available to watch—mostly on streaming. However, the benefits of streaming are unevenly shared.

Millions of Americans still lack access to affordable, reliable broadband. According to the National Telecommunications and Information Administration’s Internet Use Survey, one-sixth of households in this country don’t use the Internet at all.

Question 1. Mr. Bergmayer, how can Congress and the Administration increase competition and affordability in the broadband market and make sure that everyone is connected?

Answer. Congress and the administration can implement a variety of legislative and regulatory reforms to enhance competition and affordability in broadband markets. In particular, they should prioritize policies that open broadband and spectrum markets to non-traditional providers, enforce antitrust laws rigorously, and ensure robust, long-term Internet affordability support.

First, Congress should act swiftly to reintroduce and pass the *Community Broadband Act*, which would prohibit states from enacting laws that ban or restrict municipalities from building their own broadband networks. These networks—whether municipally operated or developed through public-private partnerships—fill critical gaps where private ISPs have failed to invest or where competition is too weak to deliver high-quality, affordable service. Even in areas with existing incumbents, community-led networks exert essential competitive pressure that drives down prices and improves service.

Additionally, as broadband increasingly relies on wireless technologies that require access to spectrum, it’s imperative that spectrum allocation be made more equitable. Spectrum policy has long favored the largest wireless carriers, creating steep barriers for non-traditional providers such as Tribal Nations, community-based nonprofits, and small ISPs. Congress and the FCC should prioritize policies that preserve and expand shared access to mid-band spectrum—particularly through frameworks like the Citizens Broadband Radio Service (CBRS)—and set aside dedicated spectrum windows for Tribal communities, or allow for more flexi-

ble, low-cost leasing. These reforms would unlock community-driven broadband solutions that promote local job growth, technical innovation, and equitable connectivity.

When paired with strong antitrust enforcement and thorough merger review by the FCC and DOJ, these measures can serve as a critical check on the market power that leads to high prices, limited choice, and underinvestment in service.

With respect to more direct affordability measures, the expiration of the Affordable Connectivity Program (ACP) and rising broadband prices underscore the urgent need for a sustainable, long-term broadband support. The most viable path forward is to reform the Universal Service Fund (USF) by modernizing the program and expanding its contribution base to ensure that it is sustainably and equitably funded. Congress and the FCC should specifically reimagine the Lifeline program, which currently offers only \$9.25/month for broadband, by applying key lessons from the ACP. At a minimum, these should include increasing the monthly benefit to meaningful levels such as the ACP's tiered \$30/\$75 (standard/high-cost area) subsidies, indexing it to inflation, and expanding eligibility to better reflect current income and access realities. The USF is an appropriate vehicle for a policy designed to ensure universal access, and reforming it will ensure that these critical affordability initiatives are housed in a durable, stable funding framework.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. AMY KLOBUCHAR TO
JOHN BERGMAYER

Topic: Cost of Streaming

For an NFL fan to watch every single game last season, they would have needed some combination of Peacock, Amazon Prime Video, Netflix, E-S-P-N Plus, YouTube T-V, and N-F-L Sunday Ticket—costing over \$850 for the 2024 season alone. While I recognize the benefits of streaming, these costs add up and are out of reach for too many Americans.

- Is the current landscape sustainable, especially as Americans face rising costs across the economy?

Answer. I do not think the fragmentation of leagues and teams across multiple services (where multiple subscriptions are necessary, as opposed to multiple services with comparable offerings) is sustainable. It's in the best interests of leagues themselves as well as viewers for there to be one-stop shops where all of a team's games are available. This is not just a cost issue, though as I have mentioned in other answers and in my written and oral testimony, costs are substantial. Things like keeping track of subscriptions and where they are managed, keeping track of log-ins, keeping multiple devices updated with a variety of apps, and then finally figuring out where a game is actually available that day, impose costs on consumers of a different kind.

Topic: Sports Streaming Venture

Last year, Disney, Warner, and Fox Sports called off a proposed joint venture focused on streaming sports content due to antitrust concerns. I want to ensure sports fans can easily stream the sports they love but I also want those consumers to benefit from the low prices and innovation that comes from competition.

- How can we ensure that streaming sports is convenient for fans while also preserving competition among content distributors and the leagues?

Answer. Sports content is valuable, but should not be used as an economic weapon by major video distributors to lock out competition. Among other issues, the proposed joint venture might have been the *exclusive* way to access some sports content. In the traditional MVPD space, program access and program carriage rules prevented major cable companies from using their market power to lock up content and disadvantage their rivals—a threat that is particularly pronounced with less-substitutable content such as sports programming.