

Title: ARLC got TV numbers right but real bonanza is five years away

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Could NRL fans prefer to watch substandard, live televised games, or one of the best sporting competitions in the world, with some matches on delay, for only five more years?

That was the choice the ARL Commission had to make when it agreed a new \$1 billion television rights deal with Channel Nine and Fox Sports last week.

It is a deal that provides the immediate cash injection the ARLC so desperately needs after inheriting a game bereft of cash reserves. It also paves the way to give fans what they want in the next agreement, after News Ltd relinquished a first and last rights arrangement on all media rights until 2027.

The Herald reported that Channel Ten had offered \$800 million for four games a week, and many people have said that would have been preferable to the deal negotiated by the ARLC, under which three games will be shown on free-to-air TV a week, only one of which will be a live broadcast.

Nine and Fox Sports tendered a joint bid, whereas Ten and Seven did not have a pay-TV partner.

If the ARLC had chosen one of those networks as the game's free-to-air broadcaster, they would have had to find another outlet to show the remaining matches. The overall value of the deal would have been significantly less than the \$1.025 billion that Nine (\$475 million) and Fox Sports (\$550 million) have agreed to pay, including \$50 million each in advertising.

A 20 per cent reduction in the value of the broadcasting deal, which Ten's offer effectively was, would have lessened the amount of money to fund struggling NRL clubs and increase players' wages.

For those who think players are paid enough, consider this: the highest-paid player in the game, Johnathan Thurston, earns about the same as Anthony Mundine did when he left the game in 2000.

And Mundine's \$700,000-a-year salary was no bigger than the likes of Laurie Daley, Ricky Stuart and Bradley Clyde earned at the outbreak of the Super League war in 1995, meaning the game's top players have not had a real pay rise for almost 20 years.

At the other end of the pay scale, every club has players who earn the NRL's minimum wage of \$60,000 a year to put their bodies through a gruelling off-season and brutal 26-week premiership, plus a possible

finals series. Without an increase in the salary cap, more players could be expected to follow the likes of Sonny Bill Williams to rugby union or Karmichael Hunt and Israel Folau to AFL, where they can earn \$1 million, or more, a year.

However, only two NRL clubs - Brisbane and South Sydney - made small operating profits without leagues club grants or top-ups by private owners last season, and they are dependent on extra funding from the television money.

Significantly, the ARLC managed to negotiate \$90 million up front from Nine and Fox Sports, and a deal that is front-loaded, so that more money is paid in the earlier years than the latter ones.

This gives an immediate cash injection to a game that has been surviving hand-to-mouth since the end of the Super League war.

Equally as important, News Ltd has agreed to forgo an arrangement that was negotiated as a central condition of its exit from the game that gave the Murdoch empire first and last rights on all media rights until 2027, including online, mobile devices and technology that has not yet been invented.

News Ltd has kept the exclusive rights to show three games a week, but viewers will be able to watch only one of the two Friday night matches live, and the Sunday afternoon fixture will be broadcast on delay, to accommodate more advertisements. Fans complain that the deal is no different to now, but costs twice as much.

A Herald online poll after last week's deal shows that 31 per cent of 7520 respondents said Nine and Fox Sports' coverage was "poor". Nonetheless, it gives much-needed money to ensure the game's growth. It also puts the ARLC in a position to call the shots when the next broadcast agreement is negotiated.