

Sports Rights Commercialization Revisited: Sky and the GAA

Paul Rouse, School of History and Archives, UCD¹

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School of History and Archives
University College Dublin

¹ I am a former employee of RTÉ where I worked as a reporter for Prime Time and I continue to do occasional work for RTÉ. I have also worked for the GAA, am currently under contract to complete a piece of work for the organization and am a lifelong, active member. As will also become clear I have a particular view on the GAA's decision.

On 1 April 2014 the Gaelic Athletic Association (GAA) announced a new 3-year broadcasting rights deal, which involved the sale of exclusive rights to certain championship matches for the first time to Sky Sports. For the week that followed a minor media storm raged around the decision. This debate was characterized – in the margins at least and depending on where you stood – as, on the one hand, the product of an hysterical over-reaction from RTÉ which deliberately generated a controversy around a run-of-the-mill decision of the sort that sporting organizations make all the time, or, on the other, an abject failure of the GAA to set out a coherent, sustainable logic to its decision to do what it had always said it would never do. As usual on these matters, the majority of people held a position somewhere in the middle, probably enjoying the spectacle until they were bored by it.

This paper is intended,

- firstly, to examine the reasons which the GAA advanced for doing a deal with Sky;
- secondly, to place the decision within the context of public policy; and
- thirdly, to make some initial observations about the early impact of the deal, including examining viewing figures.

The Deal:

The central part of the media deal was the allocation of live TV broadcast rights in Ireland for the All-Ireland senior football and hurling championships. Here, the GAA gave RTÉ the rights to broadcast 31 matches and Sky Sports the rights to broadcast 20 matches. When you take out the shared matches, RTÉ were left with the exclusive rights to 25 matches and Sky with the exclusive rights to 14 matches, with six matches shared. On top of that, a further suite of deals involved the creation of a new online digital TV service for emigrants called GAAGO.² Games shown on Sky Sports were not part of this service to emigrants living in Britain.³

² GAAGO is a pay service provided by the GAA and RTÉ that shows GAA games to subscribers outside the Republic of Ireland via the internet. Subscribers can watch games in high definition on their desktop computer, laptop, tablet or mobile device through video streaming. For the 2015 season GAAGO has rights to the 100+ games, including studio presentation and analysis, televised by RTÉ Two, TG4, Setanta Sports, and Sky Sports during the 2015 GAA season. This includes any replays that may be televised by those channels. Games available include all GAA Championship and Allianz League matches as televised in Ireland and selected club, Under 21 and Minor games. The cost of the service for the 2015 season is €160. Neither RTÉ nor the GAA were

Why the GAA said it had made the deal:

In the aftermath of the deal, it was repeated time and again by the GAA hierarchy this was not a deal made for money. What is accepted is that the money paid by Sky was not transformative. The exact sum paid by Sky has never been released, but it is estimated to amount to just € 0.5 million per year above what the GAA had previously been making.⁴

If not for money, then, why was the deal made? In its press release on the deal, in a series of interviews with media outlets and later in testimony to the Dáil Committee on Transport and Communications, the GAA advanced two primary reasons:

1. Providing coverage to Irish emigrants;
2. Raising awareness of the game internationally.

How it helps emigrants?

Turning first to emigrants, the Dáil Committee on Transport and Communications was told by the GAA on 15 April 2014 that ‘this was the priority issue in our approach to the rights negotiations’.⁵ In this context it is easy to see how developing GAAGO was a logical and laudable initiative, as was the transmission of 45 live games on free-to-air TV in Australia. The Channel Seven aspect of the deal has now been abandoned.⁶

The central point in the argument presented by the GAA was that the deal with Sky was designed to serve Irish emigrants living in Britain. The GAA told the Dáil Committee that ‘11 million households in Britain’ would now be able to see live GAA matches. Páraic

prepared to release the precise number of subscribers for GAAGO, except to say that it had subscribers in 157 countries in 2014 and that its top three markets were North America, Great Britain and Australia.

³ Due to rights restrictions, games broadcast by Sky Sports (including All-Ireland Quarter-Finals, Semi-Finals and Finals) are not available on GAAGO in Great Britain. Accordingly, the price for subscribers in Great Britain is €100.

⁴ See, for example, *Irish Independent*, 2 February 2015. In its annual financial report for 2014, the media income was effectively the same – at €10.44 million, compared with €10.09 million in 2013. See *Irish Times*, 5 February 2015.

⁵ Dáil Committee on Transport and Communications, 15 April 2014. See [www.oireachtas.ie \(\(http://oireachtasdebates.oireachtas.ie/debates%20authoring/debateswebpack.nsf/committeetakes/TRJ2014041500003?opendocument\)\)](http://oireachtasdebates.oireachtas.ie/debates%20authoring/debateswebpack.nsf/committeetakes/TRJ2014041500003?opendocument)

⁶ *Irish Echo*, 28 January 2015. An earlier draft of this paper included the sentence: ‘As it turned out, none of these 45 games were shown live on Channel Seven, rather they were shown as deferred broadcasts, once the late-night film was over.’ This was incorrect: some of the games were, in fact, shown live. The amendment was made on 19 February 2015.

Duffy, the Ard Stiúrthóir (Director General) of the GAA, also announced on radio: 'If we hadn't made this deal with Sky, there is a huge Irish population in Britain that would see no games live. They will now see 20 games live.'⁷

The thing is that 11 million households in Britain do not have Sky Sports – that figure may be somewhere around 4 million (Sky does not release these figures); what the '11 million' have is Sky TV, a platform like Sky TV or UPC in Ireland.⁸

And every one of those '11 million' households already had the opportunity to watch live GAA matches weekend after weekend. Premier Sports, part of the Setanta Sports organization, had since 2009 broadcast every championship match shown live in Ireland all across Britain. And it did so for a subscription of £10 a month. The advertising campaign mounted by Premier Sports, including advertisements in the newspapers and on-line, leaves it difficult to imagine that many Irish emigrants could not have known that Premier showed live GAA matches. More than that, Premier sponsored Warwickshire GAA and the London junior football team, and actually broadcast *every* live GAA match shown in Ireland, including club games and league games shown on TG4, Setanta, TV3 and RTÉ. This amounted to some 100 games in a year.⁹

Now, under the new Sky deal, Premier lost the 20 inter-county matches that were shown on Sky, including the All-Ireland Semi-Finals and Finals, though they retained the remaining games as previously.

⁷ Dáil Committee on Transport and Communications, 15 April 2014. See www.oireachtas.ie (<http://oireachtasdebates.oireachtas.ie/debates%20authoring/debateswebpack.nsf/committeetakes/TRJ2014041500003?opendocument>)

⁸ For the precise number of Sky TV customers, see Sky Annual Report 2014 (<https://corporate.sky.com/investors/annual-report-2014>)

⁹ When a deal announcing this coverage was unveiled by the then GAA President Christy Cooney in 2010 – along with deals to show games live on TV in Africa, Asia, Australia and America – he said: 'Our overseas units and their continued passion for our games form a vital strand of the GAA given the large and vibrant Irish communities that are dotted across the globe. I look forward to the provision of a service that will allow so many of our members and supporters follow top level action this coming summer and into the future.'

The upshot was that, instead of just paying the £10 per month for Premier Sports, Irish emigrants who wished to see all televised GAA championship matches now also had to pay at least £30 per month for Sky Sports.¹⁰

Ultimately, when you strip away the rhetoric of serving emigrants what you are left with is the provision of a service that was already available but was now fragmented, and now cost at least three times the established price.

How it helps spread the game?

The second aspect of the deal with Sky relates to the desire to raise awareness abroad of the GAA among people who had never – or as good as never – heard of the GAA or seen its games. This is something that no lover of hurling or Gaelic football could criticize in a general sense. But what exactly is the purpose here? What is the GAA’s plan? What is the virtue of raising awareness, or is that awareness supposed to be virtue in itself? Ultimately, it seems reasonable to ask the basic question: To what end?

What is apparent is that the spread of particular sports into countries where they have not previously enjoyed a substantial presence in the modern era is a complex phenomenon.¹¹ There is clearly a global television market that can facilitate the spread of sport. Almost always, however, this involves ‘a few privileged sports’ outmuscling others: ‘In fact, television exacerbates all other factors of uneven economic development across different sports.’¹² It is possible for sports to attract new players and new audiences across the globe, but it requires clarity of purpose and the significant commitment of time and resources. Even then, there are no guarantees. A local guide on the challenges involved in spreading a sport can be found in the GAA’s continued attempts to spread hurling across Ireland.

Debate around the deal:

It is clear that some within the GAA hierarchy were wounded by the manner in which they were questioned (particularly on RTÉ) after the deal was announced in April 2014

¹⁰ See <http://www.sky.com/products/sky-tv/sports/>

¹¹ See, for example, Richard Giulianotti and Roland Robertson, *Globalization and Sport* (2009), passim.

¹² Wladimir Andreff, ‘Globalization of the Sports Economy’, in *Rivista Di Diritto Ed Economia Dello Sport*, Vol. IV, Fasc. 3 (2008), pp. 13-32, p. 16.

and were wounded by the criticism that was made of their decision. Particular exception was taken to the claim 'that the GAA went to Sky for the money'. This, a Dáil Committee was told by the GAA, was 'cynical' and 'Cynicism has always been the easy refuge of those who are afraid to engage in analysis and reasonable debate.'¹³

There are many basic questions that would be central to any such debate. Here are just a few:

1. There are questions around how an organization which justifiably makes so much of its commitment to being community-based, to being open to all, to being inclusive, should choose a broadcasting policy which is, in part, inimical to those aims. How can you profess the values that the GAA professes and at the same time sell exclusive rights to a broadcaster that is subscribed to by just one-in-six of the population of Ireland?
2. On a practical level, the GAA has an avowed policy of combatting alcohol abuse. It set up a task force to examine the issue and then set out a clear series of protocols, including the refusal of sponsorship from alcohol companies. But research shows that sport shown exclusively on Pay-TV doubles and even trebles the proportion of the audience who go to licensed premises to watch. More than that, research also shows that a significant proportion of parents who go to licensed premises to watch Pay-TV sports events also bring their children with them. Indeed, that figure reached one-in-five. Is there not a clear internal contradiction here?¹⁴
3. Why was the Irish broadcaster TV3 excluded from the deal, given the manner in which it had successfully provided the previously long-cherished alternative to RTÉ? It should be remembered that the great losers in the last media rights round was TV3, and not RTÉ.
4. Why do Premier Sports no longer have the rights to broadcast GAA matches to Africa, to Asia and to America?

¹³ Dáil Committee on Transport and Communications, 15 April 2014. See www.oireachtas.ie (<http://oireachtasdebates.oireachtas.ie/debates%20authoring/debateswebpack.nsf/committeetakes/TRJ2014041500003?opendocument>)

¹⁴ Paul Rouse, 'The Impact of Pay TV on Sport', Working Papers in History and Policy No. 4, 2012: <http://historyhub.ie/the-impact-of-pay-tv-on-sport>

The list of questions goes on.

What had they said in the past?

In a way, it is a little surprising that the GAA hierarchy were taken aback by adverse reaction to their Sky deal. After all, for twenty years the organization's leadership had repeated time-and-again that it would never do a deal with Sky. These statements were unequivocal and continued right up to the time when the deal was made. Sometimes they were made at the GAA's Annual Congress, like when the then President of the GAA, Jack Boothman, said: 'The GAA can never in conscience decide to sell television rights to any media provider who will not be widely available throughout the country and which will not be national in character. We are not going to sell our people down the river for money.'¹⁵ GAA Presidents from the 1990s up to Christy Cooney (2009-12) repeated this commitment not to sell the exclusive rights to GAA matches to Sky.

Then, in a book published in 2013, Páraic Duffy told the Irish Examiner journalist Michael Moynihan in a lengthy series of quotes that the GAA would not sell TV rights to Sky and that the reason for this was that it could not do so even if only 10% of the population didn't have Sky. The logic was straightforward: 'There's a sense that the GAA belongs to everybody in Ireland, that it's in every parish and village, and that there'd be enormous resistance if we were to take the games off free-to-air, even though the majority of the population probably has access to Sky.'¹⁶ Six months after the publication of that book the GAA announced its deal with Sky.

Legislation: Television Without Frontiers¹⁷

The context in which some of the statements made by the GAA that it could never entertain a deal around Sky is important. In 2002, just a few short weeks after the Battle of Saipan, the FAI announced the sale of exclusive rights of all Irish competitive soccer internationals to Sky Sports. In the subsequent outcry, the public slaughtered the FAI and so did a whole host of politicians. As the dust settled, however, attention shifted to the role of the state. Under a 1997 amendment to the EU's "Television Without

¹⁵ *The Irish Times*, 14 April 1997.

¹⁶ Michael Moynihan, *GAAconomics: The Secret Life of Money in the GAA* (2013), chapter 16.

¹⁷ For a fuller account of the issues raised in this section, see Paul Rouse, 'The Impact of Pay TV on Sport', Working Papers in History and Policy No. 4, 2012: <http://historyhub.ie/the-impact-of-pay-tv-on-sport>

Frontiers' directive, individual states could create lists of protected events that could only be shown live on free-to-air TV. In 1999, the Irish government passed legislation that allowed for the creation of such a list but – under pressure from sporting organizations who objected to such a creation – it had never actually got around to finalizing the list. The result was that the FAI sold international match rights to Sky for a reported €7m – at four times what RTÉ had previously paid.

Such was the outcry that the Fianna Fáil-PD government felt obliged to intervene and legislation was finally passed in the summer of 2003 listing as protected events the Summer Olympics; the All-Ireland senior football and hurling finals; the Republic of Ireland's World Cup and European Championship qualifying games and Finals' games; the opening games, semi-finals and final of the World Cup and European Championship Finals; Ireland's matches in the Rugby World Cup Finals; the Irish Grand National; the Irish Derby; and the Nations Cup at the Dublin Horse Show. The list was grossly unfair on the FAI in comparison with the manner in which the GAA and the IRFU were dealt with.

In April 2010 the then Minister for Communications, Eamon Ryan, announced that he was proposing to add a number of new events to the free-to-air list. These included the Heineken Cup matches involving Irish provincial teams and the Six Nations rugby championship, as well as the GAA provincial finals, and the All-Ireland quarter- and semi-finals in football and hurling. Determined to retain absolute control over the sale of their rights to whomsoever they chose, the Irish Rugby Football Union launched an impressive counter-attack. In this they were assisted by the rugby correspondents of all the national newspapers and by politicians from every party. Ultimately, Ryan's proposal fell with the government of which he was part and there is no realistic prospect of it being revived by the current Fine Gael-Labour Party government.

The GAA played almost no role in the public debate around this legislative proposal. It was noted, however, at the Dáil Committee on Transport and Communications that in 2011 'the GAA hierarchy told the Department of Communications, Energy and Natural

Resources that it would not sell rights to a foreign channel as it was "contrary to the culture and national ethos of the association".¹⁸

Viewing Figures¹⁹

Despite the GAA's pronouncement that the 'the Sky component of our media rights deal has worked really spectacularly for the organization', it is, of course, impossible to fully assess its impact less than a year on from its announcement, so what follows are initial observations around two aspects: viewership in Britain and viewership in Ireland.²⁰

Ireland

In respect of Ireland, fair comparisons of viewing figures are rendered less possible by the fact that while Sky Sports 3 is measured in Ireland, those viewers with Sky Sports HD are not counted.²¹ Allowing for that, what is clear is that the home viewership for matches shown on Sky Sports in Ireland were dramatically lower than similar matches shown on TV3 in 2013 and in comparison with similar matches on RTÉ in 2014.

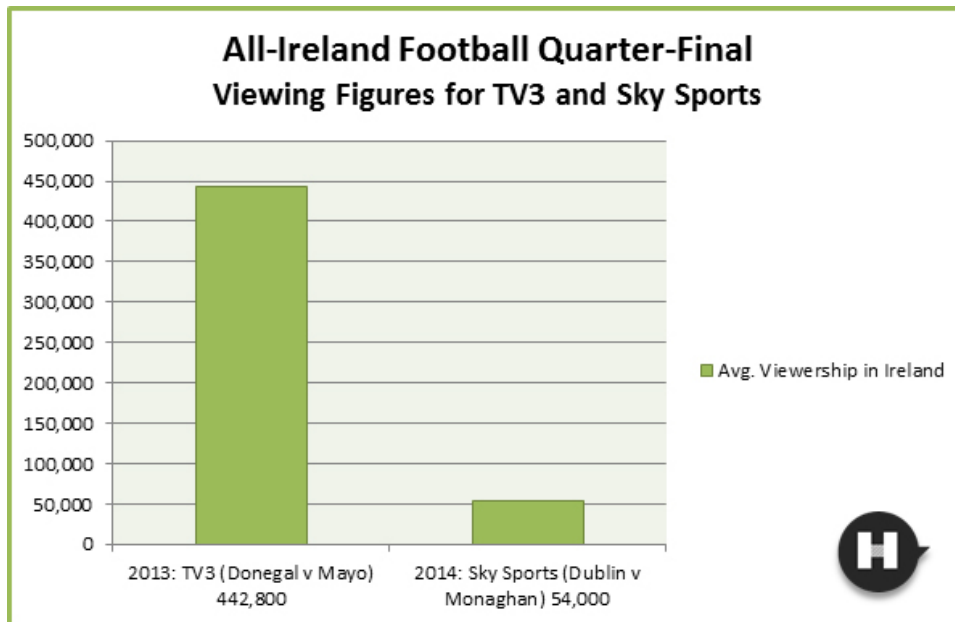
For example, when Sky Sports showed Dublin playing Monaghan in the All-Ireland football quarter-final in 2014, average viewership was 54,000. By contrast, the previous year's Donegal-Mayo quarter-final on TV3 averaged 442,800, while viewership of the 2014 Dublin v Tipperary All-Ireland hurling quarter-final on RTÉ averaged 480,900.

¹⁸ Dáil Committee on Transport and Communications, 15 April 2014. See www.oireachtas.ie (<http://oireachtasdebates.oireachtas.ie/debates%20authoring/debateswebpack.nsf/committeetakes/TRJ2014041500003?opendocument>)

¹⁹ The viewing figures quoted in this section have been sourced from official television ratings agencies, broadcasters and Public Relations firms. The ratings in Ireland are produced by TAM Ireland (Television Audience Measurement Ireland Ltd), which oversees an audience measurement system for the whole of the television advertising industry. TAM Ireland is made up of the majority of commercial broadcasters operating in Ireland (RTÉ, TV3, TG4, Channel 4, BSKYB Ireland, UTV, Viacom and Setanta Ireland) and the main Irish media buying agencies. It commissions Nielsen TV Audience Measurement to carry out the actual measurement service. The ratings in the United Kingdom are produced by the Broadcasters' Audience Research Board (BARB). BARB was set up in 1981 to provide the industry standard television audience measurement service for broadcasters and the advertising industry. It is owned by BBC, ITV, Channel 4, Channel 5, BSKYB and the IPA (Institute of Practitioners in Advertising).

²⁰ *Irish Examiner*, 24 December 2014. This claim was made by the President of the GAA Liam O'Neill.

²¹ Sky has not released the number of subscribers it has in Ireland with Sky Sports HD.



That 54,000 total was just about the highpoint of Sky's performance. In the middle of the 2014 hurling summer, their coverage of the All-Ireland hurling qualifier between Tipperary v Galway match averaged 35,200, while just 10,400 watched the Ulster football championship match between Armagh and Monaghan. In the summer of a World Cup, the GAA chose to put its games in the darkest corner of the room and the result was clear. Take Saturday evening 17 June 2014, Dublin v Wexford averaged 18,000 on Sky; later that evening Uruguay v Costa Rica, averaged 358,900 on RTÉ.

It might be noted that the average viewership on TV3 for GAA matches in 2013 was 288,900 over 11 matches – that is more than ten times higher than the Sky average for 2014.

The most striking thing, of course, is how utterly predictable these figures are: indeed, they are completely in line with what happened in, say cricket and rugby league in England and rugby in Ireland.

Incidentally, and unsurprisingly, when games were shown simultaneously on both channels, RTÉ won hands-down: Take for example the drawn 2014 All-Ireland hurling final where Sky averaged 15,600 viewers (with a peak of 26,300), while RTÉ averaged 577,000 (with a peak of 935,000); or the Dublin v Donegal 2014 All-Ireland Football

Semi-Final: (Sky: average viewers: 5,400; average share: 0.5%; RTÉ: average viewers, 665,000; average share, 60.2%.)

Britain

Turning to Britain, the average home viewership audience in Britain for matches shown on Sky in 2014 was 32,000. The peak of this was the average of 104,000 who watched the drawn All-Ireland Hurling Final between Tipperary and Kilkenny. The low point was the 8,900 who watched Sligo v Cork in the Football Qualifier.

There is a series of points to make here:

1. The drawn 2014 All-Ireland hurling final was the only match shown on Sky Sports 1 (the rest were shown on Sky Sports 3) and was shown on a weekend in which there were no other live events to compete with.
2. The normal average audience for a Sunday afternoon slot on Sky Sports 1 is between 1 million and 1.8 million.
3. No figures are available that would facilitate a season-long comparison with Premier Sports, because figures from that station appear only to have been collected from this year. In the early rounds of the championship, Premier Sports drew audiences of between 8,000 and 12,000. The situation was then skewed by the arrival of GAAGO – Irish emigrants to Britain could not watch any of the 20 games (including the All-Ireland semi-finals and finals) shown by Sky on GAAGO, but could watch all the games shown by Premier Sports on GAAGO. This was an arrangement unique across the 150 countries where GAAGO broadcasts.
4. Showing the games on Sky certainly brought new viewers to GAA matches. Newspaper pieces noted the viewership (and approval) of individuals as disparate as the Queen and the soccer-player Joey Barton. There were also summer-long newspaper articles noting twitter comment, something that was referenced in the GAA's annual report.
5. What we cannot do, however, is separate out to what extent the games drew a wider audience amongst Irish emigrants, or represented newcomers. The GAA's Annual Report – *An Chomhdháil Bhliantúil 2015* – referred to 'young, English-born people, who have been arriving in substantial numbers at our

UK clubs seeking to take up football and hurling. Many of these newcomers have no background in Gaelic games, but were simply enthralled by what they saw on TV.²² However, the GAA is unable to provide any numbers relating to the new members drawn to the GAA by Sky and acknowledge that such claims are anecdotal. It will be interesting to monitor these ‘substantial numbers’, not least because other anecdotal evidence from Britain suggests that any Sky-related influx is extremely difficult to discern.²³

6. Ultimately, the average viewership of Sky’s GAA coverage of all the people watching television at any given time in Britain, amounted to 0.25%.

Conclusion

Although the GAA hierarchy has sought to portray the deal with Sky as a success and consider the reaction of people in Britain to be ‘a vindication’, the reality is, at best, much more complex – and one might legitimately arrive at entirely the opposite conclusion.²⁴ After all, what we now know is:

1. Viewing figures for showcase GAA games in Ireland collapsed;
2. The supposed new service for Irish emigrants in Britain, not only already existed, but did so in a more extensive way;
3. Irish emigrants wishing to watch Gaelic games in Britain must now pay much more than was previously the case;
4. The part of the deal which allowed the broadcast of matches on TV in Australia no longer exists;
5. There is no plan – in any real sense of that word – for internationalization.

²² *An Chomhdháil Bhliantúil* 2015, pp. 36-8.

²³ I spoke to a small number of county board officials, club officials and club players based in London, the midlands and in Manchester. None knew of any player drawn to the GAA having been enticed by seeing the game on Sky Sports.

²⁴ *Irish Independent*, 13 September 2014.