UNIT 1 OBJECTIVES

1) Define the acronym SEM
2) Identify contributing factors to industry growth
3) Discuss the impact of industry pioneers
4) Recognize specific milestones in SEM history
5) Define media
6) Understand the importance of media (broadcast) rights
History of SEM

UNIT 1

What is SEM?

Acronym for:

Sports and Entertainment Marketing
The Evolution of SEM

SEM is a relatively new concept

- Forms of sports marketing started as early as 1858 (first known athletic event to charge admission took place at a baseball game)

- Entertainment as we know it today (movies, radio, television, music) exploded from 1900 on, and as technology improved, so did the products being offered
The Evolution of SEM

SEM is a relatively new concept

- The 1900’s also brought the advent of carnivals, amusement parks, and theme parks which evolved from (but did not completely replace) fairs, circuses and festivals.
The Evolution of SEM

Many events influenced growth

- Evolved as fan support grew with willingness to spend discretionary income on sports
- Emergence of radio and television increase exposure to sports.
Corporations began to see the benefit with sports affiliations, resulting in a sponsorship boom.

Celebrity endorsements and naming rights deals became common industry practice.

Advancement of technologies making it easier to consume sports and entertainment while more sports and entertainment properties are introduced.
The sports business industry is one of the largest and fastest growing industries in the United States.

The 2010 Plunkett's Sports Industry Almanac suggests that a “reasonable estimate” of the total U.S. sports market would be $400 to $425 billion annually.
How does the *sports* industry stack up against other industries?
UNIT 1

History of SEM

Sports Industry Revenue Streams

- Sports goods equipment (manufacturers)
- Sports goods equipment (retailers)
- Fitness and recreation
- Golf industry
- “Big 4” U.S. sports leagues
- Racetracks
- Other U.S. spectator sports leagues
- NCAA sports

Overall Spending (In Billions)

Source: Plunkett’s Sports Industry Almanac

Copyright © 2010 by Sports Career Consulting, LLC
Industry Size & Scope

- Entertainment industry extends from movies, television and radio, to theatre, home entertainment, amusement/theme parks, gaming and much more

- Consumers have shown an insatiable appetite for entertainment resulting in an industry boom
UNIT 1

History of SEM

U.S. exports of film and television

<table>
<thead>
<tr>
<th>Year</th>
<th>Value ($ in billions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>$15</td>
</tr>
<tr>
<td>1994</td>
<td>$5</td>
</tr>
<tr>
<td>1980</td>
<td>$0</td>
</tr>
</tbody>
</table>

Copyright © 2010 by Sports Career Consulting, LLC
Entertainment Industry Revenue Streams

- Film/theatrical/DVD
- TV broadcast and cable
- Music industry
- Electronic gaming
- Amusement/theme park
- Theatrical productions

Source: U.S. Census
Entertainment Industry Projected Advertising Spending by 2011

- Global Internet advertising and access spending
- Global television distribution
- Global television advertising
- Filmed Entertainment
- Radio and "out-of-home" advertising
- Wireless gaming
Factors Influencing Industry Growth

- Increase in participation
- More people following sports and entertainment
- Increase in sports/entertainment offerings
- Attendance boom
- Media coverage
- Global products
Evidence of Increased Participation Rates

The U.S. Youth Soccer Association reports that there were 100,000 registered players in 1974. Today the organization has grown to 3.2 million registered players and over 800,000 coaches and volunteers.
Evidence of Increased Participation Rates

The number of U.S. golfers has risen to 12.6% of the population vs. 3.5% 50 years ago
Evidence of Increased Participation Rates

According to the National Federation of State High School Associations, lacrosse has seen a 280% increase in participation in the last decade.
Among sports and recreation activities that grew more than 15% the past 10 years, skateboarding led the way with a 74.1% growth, according to the National Sporting Goods Association (NSGA).
“Skateboarding saw a remarkable increase in the last 10 years, due in part, to the television exposure provided by ESPN’s X-Games”

- NSGA VP of Information & Research, Thomas B. Doyle
Factors Influencing Industry Growth

- Increase in participation
- More people following sports and entertainment
- Increase in sports/entertainment offerings
- Attendance boom
- Media coverage
- Global products
- Emergence of Internet and new technologies
UNIT 1

Increase in Those Following Sports & Entertainment

*U.S. television broadcast 800 hours of sports in 1971*

*In 2010, NBC broadcast more than 835 hours of Olympic Winter Games coverage, Coverage will total 835 hours, the most ever for a Winter Games telecast and more than the past two Winter Olympics combined.*
Said David Neal, executive vice president of NBC Olympics, in an e-mail interview for mysanantonio.com, "The average day (consisted) of nearly 50 hours of coverage, which is more in one day than the coverage of the entire 1976 Innsbruck Games on ABC."
Factors Influencing Industry Growth

- Increase in participation
- More people following sports and entertainment
- Increase in sports/entertainment offerings
- Attendance boom
- Media coverage
- Global products
- Emergence of Internet and new technologies
ESPN’s coverage features more than 65 sports including MLB, NBA, NFL’s Monday Night Football, NASCAR, MLS, FIFA World Cup, WNBA, college football, men's and women's college basketball, golf, Little League World Series, fishing, spelling, billiards, poker, arena football, eating championships, and the X Games.
Factors Influencing Industry Growth

- Increase in participation
- More people following sports and entertainment
- Increase in sports/entertainment offerings
- Attendance boom
- Media coverage
- Global products
- Emergence of Internet and new technologies
Attendance Increases

For the 2008-09 campaign, NHL attendance was 21,475,223, which broke the league’s attendance record for the fourth consecutive season (attendance dipped slightly by just over 2 percent in 2009-10)
Attendance Increases

To put the league’s growth into perspective, the NHL’s attendance twenty years ago (1978-79) season was just 7,758,05

2008-09 NHL season total attendance 21,475,223

2007-08 NHL season total attendance 21,236,255

1978-79 NHL season total attendance 7,758,05
Attendance Increases

Over 75 percent of movies in the top 50 all-time highest-grossing films (before inflation) were released after the year 2000. The highest grossing film in the 70s was Star Wars, at just under $800 million and in the 80s was E.T., at just $750 million.
Titanic more than doubled Star Wars at the box office in terms of overall global ticket sales, but is that the whole story?

Do you think twice as many ticket buying patrons attended Titanic than Star Wars? Why or why not?
Discussion Topic

Although Titanic’s box office figures are incredibly impressive, the box office figures do not necessarily tell the whole story.

Ticket prices in 1997 were much higher than they were in 1977, the year Star Wars was released and box office records are not adjusted for inflation.
Discussion Topic

When box office numbers are adjusted for inflation, the domestic top grossing film in American history is NOT Titanic.

What is it???
After adjustment, the top spot goes to *Gone with the Wind*, while *Titanic* slips to just 6th overall...
Factors Influencing Industry Growth

- Increase in participation
- More people following sports and entertainment
- Increase in sports/entertainment offerings
- Attendance boom
- Media coverage
- Global products
- Emergence of Internet and new technologies
Media Coverage

Media coverage of sports and entertainment has grown significantly in the past half-century, placing athletes and entertainers in the public eye with incredible frequency.
UNIT 1

Media Coverage

Introduction of Internet makes information available “on demand” with increased frequency and accessibility
“Arnold Palmer...came along at the same time television was exploding in America. Now we’ve got global Internet access. Our sport wasn’t global when I began playing the Tour. Now it is. You can log on anywhere in the world and see what any player did in any tournament or for the year. With that international boom, that international stream of information, golf is getting exposed to parts of the world that it never even thought of getting into.”

- Tiger Woods
Factors Influencing Industry Growth

- Increase in participation
- More people following sports and entertainment
- Increase in sports/entertainment offerings
- Attendance boom
- Media coverage
- Global products
- Emergence of Internet and new technologies
Global Marketplace

The international marketplace continues to provide a platform for driving sales of sports and entertainment products and services.
Global events like Wimbledon, the Tour de France, FIFA World Cup, Olympic Games, the Iditarod and Cannes Film Festival attract world-wide attention, providing an exceptional marketing opportunity for ticket sales, sponsorship sales, licensing and merchandise opportunities and provide a major economic impact for host cities.
Global Marketplace

In March of 2009, ESPN, CANAL + Events and Tignes Ski & Snowboard Resort (in France) will launch the first Winter X Games to be held outside the United States, providing yet another example of the global growth and expansion of sports, entertainment and events.
Global Marketplace

The global demand for footwear and sports apparel continues to grow with international brands like China’s Li Ning and Germany’s Adidas and Puma fiercely competing with American brands like Nike and Under Armour for market share.
Global Marketplace

Prominent American sport properties like the NBA, NHL and NBA are making a push to expand their presence overseas by hosting *regular season* games (not exhibition games) outside of the U.S.

In 2010, the NHL’s Minnesota Wild and Carolina Hurricanes will open the season in Helsinki, Finland while the San Jose Sharks and Columbus Blue Jackets begin the season in Stockholm, Sweden. The NFL and NBA have scheduled regular season games in London, England in 2010 with the NFL’s San Francisco 49ers playing the Denver Broncos at Wembley Stadium on Halloween and the NBA’s Toronto Raptors and New Jersey Nets squaring off in March.
Media Coverage

- Television and radio provide alternative news sources to newspapers

- Profit potential for media centers encourage increased competition for top stories

- Introduction of Internet makes information available “on demand” and with increased frequency
History of SEM

UNIT 1

Signs of Continued Industry Growth

Revenue in the video game industry is soaring as evidenced by, in just one month (March, 2010), video games and console sales reached $1.5 billion

Copyright © 2010 by Sports Career Consulting, LLC
Signs of Continued Industry Growth

The number of music enthusiasts using iTunes, Amazon.com, and other digital music stores has reportedly reached about 40 million people.

While digital music sales were up in 2008, the total number of downloads was dwarfed by the scale of illegal downloads, despite industry efforts to adapt to the Internet and offer more choice to customer (95 percent of the music downloaded in 2008, or more than 40 billion files, was illegal and not paid for).
UNIT 1

History of SEM

Signs of Continued Industry Growth

Blu-ray disc sales were up 91 percent in the first half of 2009

Estimates suggest that by 2010 the sports industry will account for 1.5% of China’s Gross Domestic Product
In 1994, Nike’s soccer brand revenues were $40 million. By 2010, the company reported soccer revenues of $1.7 billion!
UNIT 1

History of SEM

Signs of Continued Industry Growth

The Game 5 telecast of the 2009 NBA Finals on ABC was broadcast in 215 countries and 42 languages, was covered by 55 international TV, radio & websites and generated approximately 30 million daily page views on web around the world throughout the finals.

The value of major league sport franchises continues to grow at a furious pace. In 1973, the late George Steinbrenner bought the New York Yankees for just under $9 million. In 2010, Forbes magazine valued the historic franchise at $1.6 billion.
Forbes also reported that the average NFL team was worth over $1 billion in 2009, over 250 percent more than when Forbes began calculating team values ten years ago and up 66 percent from just five years ago.
Fandom is a term used to refer to a subculture composed of fans characterized by a feeling of sympathy and camaraderie with others who share a common interest.
UNIT 1

History of SEM

Signs of Continued Industry Growth

The term fandom can be used to describe all types of fan groupings or “subcultures”
UNIT 1

History of SEM

Signs of Continued Industry Growth

ESPN’s “State of Sports 2007” survey found that a whopping 90% of male respondents claimed to be sports fans on some level.

The 2008 ESPN survey found that over 50% of respondents claimed to be more of a sports fan than they were five years ago.
Signs of Continued Industry Growth

Fans have, on occasion, organized on behalf of cancelled television series, with some success in a limited number of cases such as the popular television series *Jericho* in 2007 and *Chuck* in 2009.
Signs of Continued Industry Growth

The intensity levels of fandom vary, ranging from a casual sports fan who might take in one NBA game per year to fans like “Clipper Darrell” who recently spent $12,000 customizing his BMW to reflect his love for the Los Angeles Clippers (complete with the license plate “CLIPERD”)

![Image of a car customized for the Los Angeles Clippers]
While many media pundits publicly chastised LeBron James’ decision to announce which team he would be joining in 2010 in a one hour ESPN special, the show (aptly named “The Decision”) drew very high ratings as nearly 10 million people tuned in to watch.
Despite all the public scrutiny surrounding Tiger Woods’ extramarital affairs, he was still named America’s Favorite Sports Star for the fifth straight year in a recent poll from Harris Interactive.

Kobe Bryant, also an athlete who has struggled with some off the court issues in the past, tied Woods for the top spot while Brett Favre finished fourth, even while many fans have been presumably turned off to his indecisiveness over retirement the past few years.
Media Impact on Industry Growth

**Media** refers to a means of communicating a message to large numbers of people.
It was not until the 1936 Olympics (broadcast by ABC radio) that Americans were truly exposed to the amazing talents of Jesse Owens, one of America’s greatest athletes of all time.
UNIT 1

History of SEM

Now, fans can follow athlete performances live through television, radio, Internet as well getting information through national papers, local papers, magazines, and industry specific journals.
Media Impact on Industry Growth

**Media rights** (or broadcast rights) are fees paid by broadcast companies to sports or entertainment properties for the opportunity to provide live coverage of the property’s games and events on television, the radio or the Internet.
Many media rights deals provide exclusive coverage rights

In 2010, DirecTV paid Major League Baseball an undisclosed broadcast fee for the exclusive rights to broadcast the 2010 All-Star game in 3-D.
Media Rights

Media rights deals are not reserved for national broadcasting companies.

Comcast SportsNet purchased the rights to broadcast 55 regular season Portland Trail Blazers games on their network for a reported $130 million over ten years.
History of SEM

UNIT 1

Media Rights

Why are media rights important to sports and entertainment properties?

In a word...

REVENUE!
Media Rights

NASCAR generates a reported $570 million annually in media rights for television and radio broadcasts.
Media Rights

According to the Chicago Tribune, a 2009 dispute over the value of the Chicago Cubs’ broadcast contracts complicated efforts to sell the iconic franchise.

Because media rights are such an important piece to any major league sports organization’s bottom line, negotiations to sell the franchise momentarily fell apart until the issue could be resolved.
According to Nielsen (a company who measures ratings): "Ratings are used like currency in the marketplace of advertiser-supported TV. When advertisers want a commercial to reach an audience, they need to place it in TV programs which deliver an audience. The more audience a program delivers, the more the commercial time is worth to advertisers."
Media Rights

Why are media rights important to broadcast companies?

Companies want to invest in advertising that will reach as many consumers as possible and sports and entertainment events provide an effective platform for advertisers to do that.
Media Rights

According to Nielsen Media Research, 106.5 million viewers tuned in to watch the 2010 Super Bowl to see the New Orleans Saints beat the Indianapolis Colts making it the biggest audience for a televised event in the U.S. ever.

Also according to Nielsen, more than 700 million people around the world watched the 2010 FIFA World Cup Final between Spain and the Netherlands.
According to the research firm Kantar Media, advertisers have spent $4.55B during CBS' coverage of the men's NCAA basketball tournament over the past decade.
In 2007 the NBA extended its deals with TNT, ESPN and ABC through the 2015-16 season, generating over $930 million per year in revenue for television broadcast rights.
Media rights examples

Satellite TV

DirecTV’s exclusive agreement for broadcast rights for out of market NFL games was extended in 2010 for four years at a reported $1 billion per year (a 43% increase on an annual basis over the previous deal)
XM radio’s deal for MLB broadcast rights was signed in 2005 for $650 million
In 2009, the NFL extended its deal with Westwood One as its exclusive network radio partner in a deal worth over $30 million
In 2009, the University of Georgia negotiated what is thought to be one of the more lucrative marketing deals in college sports with International Sports Properties (ISP is a marketing company who manages multimedia for collegiate sports properties) who agreed to pay the Georgia athletics department $92.8 million over the next eight years for its marketing and media rights.
Media Impact on Industry Growth

Radio, cable and broadcast television programming measure their effectiveness through ratings, which are expressed as a percentage of the potential TV audience viewing at any given time.
Media Rights

Basically, a rating refers to the number of households or people tuned into a particular radio or television program at a specific time.

NBC Sports' "Breakfast at Wimbledon" 2009 coverage of the five-set classic between Roger Federer and Andy Roddick (9 a.m.-3 p.m. ET) was the most-viewed Gentlemen's Final in 10 years. The average of 5.71 million viewers for Federer's record-setting 15th Grand Slam title was the highest since the Pete Sampras- Andre Agassi final in 1999 (5.85 million). Last year's final attracted an average of 5.17 million viewers.
Media Rights

Nielsen can identify peak hours in which the most people are tuned in to watch or listen

The "Breakfast at Wimbledon" rating peaked at a 6.0/16 from 1:15-1:30 p.m. ET
Media Rights

Nielsen can also identify specific markets in which ratings were the highest.

For the “Breakfast at Wimbledon” ratings, West Palm Beach held the top spot as the highest rated market with a rating of 8.1, New York was second with a 6.0 and Richmond, VA was third with a 5.9.
Media Milestones in Sports

1921 - First ever baseball game broadcast on radio

1935 - First full season baseball broadcast on radio (Chicago Cubs)

1946 - First major sports event on TV (Joe Louis Boxing Match)
UNIT 1

Media Milestones in Sports

1954 - *Sports Illustrated* introduced

1970 - *First Monday Night Football TV broadcast*
Media Milestones in Sports

1995 – DirecTV and the NFL offer first subscriber based pay-per-view programming (NFL Sunday Ticket)

1999 – Major League Baseball broadcasts the World Series on the Internet

2002 – The pay-per-view boxing match between Mike Tyson and Lennox Lewis generates a record $103 million in sales
2009 – CBS’ free online broadcast of the 2009 Men’s NCAA Tournament reaches an audience of 7.5 million
Media Impact on Industry Growth

In the early days of team sports, revenue came from:

- Ticket Sales
- Concessions
Media Impact on Industry Growth

Today, media provides alternate revenue sources

- National Television Contracts
- Local Television Contracts
- Cable Television Contracts
- Sale of Radio Rights
- Streaming Internet Audio
- Online Revenue
- Team Specific Publications
Media Impact on Industry Growth

Sports and entertainment business coverage has become widespread and easily accessible.

National publications devote consistent coverage to the business of sports.

In 2004, a Portland, Oregon radio station launched a weekly, hour-long sports business talk show.

Today, local newspapers all around the country offer readers sports business related coverage on a regular basis on their websites.
Lesson 1.4
Industry Pioneers
History of SEM

UNIT 1

Sports Industry Pioneers

- Pierre de Coubertin
- Bill Veeck
- Mark McCormack
- Mildred "Babe" Didrikson Zaharias
- Roone Arledge
- Jackie Robinson
Mildred “Babe” Didrikson Zaharias

- Widely regarded as the greatest female athlete of all time
- Entered team track event and won the entire meet
- First female athlete to sign an endorsement contract, signing with Wilson Sporting Goods in 1948
- Co-founder of the Ladies Professional Golf Association (LPGA) in 1950
Sports Industry Pioneers

- Mohammed Ali
- William (Bill) H.G. France Sr.
- Pete Rozelle
- Michael Jordan
- David Stern
- Jon Spoelstra
Michael Jordan

- Marketed as “Air Jordan”
- Responsible for the emergence of athlete/shoe company partnerships because of successful marketing and sales of Nike sneakers
- In 1998, Fortune Magazine estimated that Jordan alone generated $9.9 billion for the economy

Photo Courtesy: http://en.wikipedia.org/wiki/Michael_Jordan
Entertainment Industry Pioneers

- P.T. Barnum
- Walt Disney
- Adolph Zukor
- Charlie Chaplin
- Louis Armstrong
- Lucille Ball
- Jerry Siegel & Joe Schuster
- Rodgers & Hammerstein
UNIT 1

History of SEM

Adolph Zukor

- Founded Paramount Pictures
- In 1912, he made entertainment history when he offered the American public its first feature-length film
- In 1919, bought 135 theaters in the Southern states, making him the first individual owner of a theater chain
- Built the Paramount Theater in New York City

Photo Courtesy: http://www.horatioalger.com/members/jpegs/ZUK57.jpg

Photo Courtesy: http://www.treknews.de/treknews/newspro-treknews/upload/newsbilder/paramountsp02.jpg

Copyright © 2010 by Sports Career Consulting, LLC
Entertainment Industry Pioneers

- The Beatles
- Elvis Presley
- Frank Sinatra
- William Hanna & Joseph Barbara
- Dr. Seuss
- Hiroshi Yamauchi
- Steve Allen, Ed Sullivan & Johnny Carson
- Mort Sahl
William Hanna and Joseph Barbera

- Founded Hanna-Barbera studios
- One of the first animators to bring live characters to television (Flintstones, Yogi Bear, The Jetsons, Scooby Doo and The Smurfs)
- Helped drive the popularity of Saturday morning cartoons as we see today
Entertainment Industry Pioneers

- Jim Henson
- Steven Spielberg
- Steve Jobs
- Vince McMahon
- Michael Jackson
- JK Rowling
- Ted Turner
- Sean “Puffy” Combs
- Shawn Fanning & Sean Parker
Michael Jackson

- First African American artist to find stardom on MTV, breaking down innumerable boundaries both for his race and for music video as an art form

- Won a record eight Grammys in one night

- Earned the largest endorsement deal ever when Pepsi paid him $5 million to be their spokesperson
Lesson 1.5

Important Milestones in SEM History
UNIT 1

Milestones in Sports Marketing History

1869 - *Cincinnati Red Stockings are first team to have every player on salary*

1923 - *First endorsement deal (golfer Gene Sarazen and Wilson Sporting Goods)*

1928 - *Coke teams up with the Olympics as first “official sponsor” of an athletic event*

1949 - *First major female endorsement deal*
Milestones in Sports Marketing History

1951 - Bill Veeck sends 3’7” player to bat in an official game as a promotion

1979 - ESPN Debuts

1980 - Syracuse University sells facility naming rights to play in the “Carrier Dome”

1984 - Olympics made profitable for the first time

2003 - The Chicago Bears become “The Chicago Bears presented by Bank One”
UNIT 1

Milestones in Sports Marketing History

2008 - The Nielsen Company estimates that just over 2 billion people - almost one third of the world’s population – tunes in to watch the Beijing Summer Olympics Opening Ceremony.

Beijing 2008

Copyright © 2010 by Sports Career Consulting, LLC
Milestones in Entertainment Marketing History

1919 - Recording and sound on motion picture film is developed

1920 - Radio stations begin to air regularly scheduled programming

1931 - RCA establishes the National Broadcasting Company (NBC)

1951 - The first color television sets are offered

1955 - Disneyland opens in Anaheim, California

1961 - The first regional theme park, Six Flags, opens in Texas
UNIT 1

History of SEM

Milestones in Entertainment Marketing History

1980 - *Turner Cable Network launches the first all news television network, CNN*

1981 - *IBM makes the first personal computers available for consumers*

1981 - *Music Television (MTV) is launched*

1983 - *The first compact disc is released*

1985 - *Nintendo introduces its home entertainment system for video games*
Milestones in Entertainment Marketing History

1991 - Sean “Puffy” Combs launches Bad Boy Entertainment

1996 - Inventor receives patent for MP3 technology

2003 - Apple introduces iTunes

2006 - An estimated 1.2 billion people across the globe watch the World Cup Final, accounting for 17% of the World’s population
Lesson 1.6

Where Are We Now?
200 million Americans, or 7 of every 8 adults, consider themselves sports fans.

In November of 2009, more than 78 million Americans visited sports websites with Yahoo! Sports drawing nearly 23 million users alone.

The fantasy sports industry has an estimated total market impact of $4.48 billion dollars annually.
One study suggests that the German economy, Europe's largest, loses more than $8 billion in productivity, about 0.27 percent of gross domestic product, during the World Cup.

Surveys in Britain predicted output losses of between $1.5 billion and $2.3 billion during the 2010 tournament.
4 of the top 5 biggest combined grossing movies in a single weekend at the box office ever were movies released in 2008 or later and all 5 were released in 2006 or later

Actors and actresses are being paid more now than ever, particularly those with proven “star power” who can draw a crowd (Tom Hanks earned a reported $51 million for *Angels & Demons* and estimates have Johnny Depp due to make $55 million for *Pirates of the Caribbean 4*)
Where Are We Now?

MUSIC

- 2008 was the first year to see over 1 billion digital download tracks sold (the top selling track of the year was Leona Lewis' "Bleeding Love" with 3.37 million)

- The concert business grossed $4.4 billion worldwide in 2009, the most ever for a year and up almost 12 percent over 2008, according to Billboard magazine
Where Are We Now?

BOOKS

- The wild popularity of Author Stephanie Meyer’s *Twilight* series of books shows the crossover appeal books have with other forms of entertainment, spawning a box office smash and top selling soundtrack.

- In 2008, more than 22 million copies of Meyer’s books were sold.

- With just a $37 million production budget, the *Twilight* film has grossed over $382 million at the box office worldwide.
Where Are We Now?

BOOKS

- 3 million copies of the *Twilight* DVD were sold on the first day of its release.

- *Twilight* is the best-selling theatrical movie soundtrack in the United States since *Chicago* in 2002.

- *The Twilight Saga: Eclipse* set a record with a largest film opening when it was screened in 4,416 U.S. theaters for its 2010 opener.
In 2009, the video game “Call of Duty: Modern Warfare 2” smashed previous video game sales records by selling $350 million in just 24 hours in North America and the U.K.

Following up its sales success with Wii Fit and Wii Mario Kart (now two of the all-time highest selling video games), Nintendo’s Wii Sports Resort sold over 350,000 copies in its first four days on sale in Japan in 2009.
In 2009, "Mary Poppins" the musical grossed an average of more than $1 million a week over its 18-week stay at Chicago's 2,300-seat Cadillac Palace Theatre.
UNIT 1

Where Are We Now?
THEATRE

➢ Broadway ticket sales reached a new high when they exceeded more than $1 billion in sales for the 2009-10 season
Blank Slide Available

For Teacher Edits
1) What does the acronym SEM stand for?

*Sports and entertainment marketing*

2) Define media

*A means of communicating a message to large numbers of people*
3) What factors have contributed to industry growth?

**Answers could include:**

- *Increase in participation* those participating in sports and entertainment

- An increase in the number of those following sports and entertainment

- An *increase in attendance* at sports and entertainment events

- *Growth of media coverage* (technology also acceptable)

- Global appeal of sports and entertainment
4) Name two individuals who made significant impact of the evolution of sports and entertainment business

* See Lesson 1.4 in your outlines for numerous examples of sports business pioneers and their notable industry contributions

5) Identify two dates or specific events important to the history of sports and entertainment business?

* See Lesson 1.5 in your outlines for numerous examples of sports business pioneers and their notable industry contributions
6) Understand the importance of media (broadcast) rights

* For sports leagues and properties, media rights are important because they provide a significant revenue stream.

* For broadcast companies, media rights are important because advertisers want to invest in a medium that will reach as many consumers as possible. Sports and entertainment events can provide that.